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# Latin America Report

No. 2249



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# LATIN AMERICA REPORT

No. 2249

# CONTENTS

# COUNTRY SECTION

INTER	-AMERICAN AFFAIRS	
	SELA Secretary Urges Active Posture in U.S. Negotiations (EL DIARIO DE CARAGAS, 22 Jan 81)	1
	Carlos Andres Peres Calls Duarte 'Strawman' (Carlos Andres Peres Interview; EL NACIONAL, 21 Jan 81)	2
	Guadeloupe, Martinique, Guyana: Status of Territories (LE MONDE, 31 Dec 80)	la
	Models of French Society Relationship With EBC Countries French Aid to Territories	
	Venezuelan Solidarity Praised by Daniel Ortega (EL NACIONAL, 18 Jan 81)	9
COSTA	RICA	
	Reagan Presents Resolute National Image (San Jose Radio Reloj, 20 Jan 81)	11
	Station Criticizes Party's Ban on Newsmen (San Jose Radio Reloj, 10 Jan 81)	12
	MLN Officials Killed: Jorge Torres Ocampo, Angel Ortega Melchor (Radio-Television Guatemala, 14, 15 Jan 81; Radio Nuevo Mundo, 15 Jan 81)	13
	Torres Killed Extreme Left Blamed Ortega Killed	

# JAMAICA

	Former, Present Prime Ministers Interviewed (Michael Manley Interview; BOHEMIA, 5-11 Jan 81)	15
NICARA	UA	
	Reagan's Visit to Mexico Analyzed (Sofia Montenegro; BARRICADA, 6 Jan 81)	21
	'Counterrevolutionaries' Arrested on Atlantic Coast (Managua Radio Sandino, 10 Jan 81)	23
	Article Criticizes 'PSD' New Year's Message (Jose Alberto Lopez Chavez; EL NUEVO DIARIO, 16 Jan 81)	24
	Businessman Evaluates Private Sector's Role (Fernando Sequeira; LA PRENSA, 20 Jan 81)	27
	U.S. Said Setting Stage for Intervention in Central America (Managua Radio Sandino, 16 Jan 81)	31
	Commentary: U.S. Should Not Admit Counterrevolutionaries (Managua Radio Sandino, 22 Jan 81)	32
	Briefs New Costa Rican Ambassador Aid From France, EEC Clandestine Station in Mountains Montalvan Free To Travel Abroad	34 34 34 34
PANAMA		
	Reagan Urged To Understand Limits of U.S. Power (Juan A. Bernal; CRITERIA, 19 Jan 81)	35
	Columnist Says Reagan Must Pace Today's Realities (Ramon A. Dorado; LA REPUBLICA, 19 Jan 81)	37
	Reagan Seen Facing Difficult Tasks as President (Rafael Bolivar Ayala; LA REPUBLICA, 20 Jan 81)	38
	Carter's Term Deemed 'Admirable'; Reagan's Too Barly To Tell (Editorial; MATUTINO, 20 Jan 81)	39
	'Reagan Era' Viewed as New Film Serial (Secundino Torres Gudino; LA REPUBLICA, 20 Jan 81)	41
	'CRITICA' Wishes Success to Reagan Administration (Editorial; CRITICA, 21 Jan 51)	42
	Reagan Inaugural Speech Praised for Moderate Tone (Editorial; LA REPUBLICA, 22 Jan 81)	43

Columnist Lists What Panama Expects From Reagan (Joaquin Beleno; LA REPUBLICA, 22 Jan 81)	45
Cautious Attitude About Reagan Stressed by Columnist (Ricardo Lince; MATUTINO, 22 Jan 81)	46
Columnist Decries Reagan Joke on Canal (Ricardo Lince; MATUTINO, 26 Jan 81)	47
U.S. Southern Command Officer Denies Leftists' Report (Ran Jose Radio Noticias del Continente, 14 Jan 81)	48
Intervention in El Salvador Viewed (Mario Augusto Rodriguez; LA REPUBLICA, 25 Jan 81)	50
'MATUTINO' Praises Ambassador Moss (Ricardo Lince; MATUTINO, 15 Jan 81)	53
Work of U.S. Ambassador Praised (Rafael Murgas; MATUTINO, 21 Jan 81)	54
U.S. Aid Needed To Complete Pan-American Highway (TELEVISORA NACIONAL, 24 Jan 81)	56
'FEP' Protests Guards' Defense of U.S. Embassy (CRITICA, 19 Jan 81)	57
Columnist Raps Salvadoran Government Spokesmen (Roberto R. Rodriguez; MATUTING, 22 Jan 81)	58
No End to Salvadoran Conflict Seen (Editorial; LA ESTRELLA DE PANAMA, 23 Jan 81)	60
Concern Over Salvadoran Soldiers' Training in Panama (Griselda Lopez; LA REPUBLICA, 25 Jan 81)	61
'LA REPUBLICA' Praises Mexican Communique (Editorial; LA REPUBLICA, 25 Jan 81)	62
Writer Comments on Salvadorans Entering Illegally (Juan A. Bernal; CRITICA, 26 Jan 81)	64
Canal Administration Charged With Discrimination (Harmodio Icaza; MATUTINO, 6 Jan 81)	66
Ministers Notes Canal Commission Procedures (Panama City Domestic Service, 15 Jan 81)	68
Paredes Speaks of 'Double Wage' Standard in Canal	69

	Canal Commission Members Comment on Meetings (Ricardo Rodriguez, Tomas Paredes Interview; Circuit RPC Television, 16 Jan 81)	70
	Workers Complain of Pay Discrimination in Canal (Panama City Televisora Nacional, 22 Jan 81)	73
	Columnist Views Canal Board Dealings (Luis Restrepo Rosas; MATUTINO, 22, 23, 24 Jan 81)	71
	Committee Cochairman To Meet With U.S. on Wages (Carlos Nunez L.; CRITICA, 23 Jan 81)	78
	Manfredo Discusses Canal Improvement Plans (Fernando Manfredo Interview; Circuito PRC Television, 24 Jan 81)	79
URUGU	AY	
	Political Prisoners Report Murder Plan (AFP, 15 Jan 81)	81
	Accusations Made of Prisoners Being Tortured (AFP, 17 Jan 81)	82
	Briefs Final Figures on Plebiscite FRG Loan	83
VENEZU	JELA	
	Editorial Expresses Optimism on Reagan 'Toughness' (Editorial; EL DIARIO DE CARACAS, 21 Jan 81)	81
	Reaction to Haig Statements, Future Policy, Surveyed (Jose Emilio Castellanos; EL NACIONAL, 11 Jan 81)	85

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INTER-AMERICAN AFFAIRS

#### COUNTRY SECTION

#### SELA SECRETARY URGES ACTIVE POSTURE IN U.S. NEGOTIATIONS

Caracas EL DIARIO DE CARACAS in Spanish 22 Jan 81 p 3

[Text] In the opinion of the permanent secretary of the Latin American Economic System (SELA), Carlos Alzamora, Latin America must retake the initiative in the dialog with the United States and not remain passively waiting for a bilateral treatment country by country, which divides and weakens it.

The comments by the SELA secretary were made as one of the opinions of various political leaders on the assumption of Ronald Reagan to the presidency of the United States published yesterday by the national press. Alzamora maintains: "The treatment accorded to Latin America by the U.S. Government will greatly depend on how Latin America allows itself to be treated. We are a community of 30 nations whose strategic location, energy and raw material resources and cooperation are increasingly important for the security and economy of the United States, just as a good and healthy relationship with the great power to the north is important for Latin America. A new opportunity appears to be unfolding today for examining economic relations between the two sides with vision and equanimity, and SELA is already working in the preparation of that process in keeping with the mandate received from Latin American governments."

The SELA permanent secretary said he shares the opinions expressed by Vice Minister for Foreign Affairs Oswaldo Paez Pumar, the chairman of the Foreign Affairs Advisory Committee, Jose Rodriguez Iturbe, and those given to EL DIARIO DE CARACAS by Venezuelan Ambassador to Washington, Marcial Perez Chiriboga, all figures of the government party who agree in pointing out the need for Latin America to negotiate with the United States in a united manner on the basis of the common denominators of the region.

8908

#### COUNTRY SECTION

### CARLOS ANDRES PEREZ CALLS DUARTE 'STRAWMAN'

Caracas EL NACIONAL in Spanish 21 Jan 81 p D-1

Report on interview with former Venezuelan President Carlos Andres Perez, by Mario Villegas at the El Rosal restaurant; date not given

[Text] Former President Carlos Andres Perez denied that he is on the side of the Salvadoran guerrillas and advocated a peaceful solution to the critical political situation of El Salvador.

The opinion was expressed by the former president upon his arrival at a well-known restaurant of El Rosal where the national agrarian committee of his party, Democratic Action [AD], honored Gonzalo Castellanos, former AD agrarian secretary in Tachira and now the lottery chairman of that federal scate.

Carlos Andres Perez was approached by reporters, who in a few minutes asked him several questions.

[Question] What could you say about the presumed defeat of "Lusinchismo" in the internal elections of AD?

[Andres Perez] I could say that it is absolutely false ...

One newsman asked whether the luncheon attended at noon yesterday by Carlos Andres Perez could be used for the formulation of a strategy with the next mational AD convention in mind.

(Andres Perez) I do not formulate strategy with groups. My strategy is a strategy for Democratic Action.

The writer for EL NACIONAL asked the former president's opinion on some televised statements by the president of COPEI [Social Christian Party], Godofredo Gonzalez, who said that COPEI played an important role in defense of Venezuelan democracy when the former AD president was minister of foreign affairs and that AD is now evading its responsibility with respect to the events in El Salvador.

Answer? We cannot compare the criminal fury of the El Salvador Government, which is headed by the military with a strawman as its leader, with the policy put into effect by Romulo Betancourt and the AD government in cooperation with COPEI for establishing democracy in Venezuela. The proof of that is that the guerrilla force never had the significance in Venezuela that it is having in El Salvador because it did not have the people's support here and it does have it in El Salvador....

"Are you on the side of the Salvadoran guerrillas?" interrupted the EL NACIONAL newsman.

[Answer] No, no, I am on the side of a peaceful solution, a solution without hegemonies, a solution without arrogance, a solution in which the military returns to the barracks and civilians will be in power. The present solution will conclude with a military government and the dismissal of Mr Duarte. I do not believe in either El Salvador or in the victory of the government of El Salvador because this is an absurd war, an abominable war where more than 100 persons are murdered every day in the name of freedom and democracy. No one has the right to murder in the name of freedom and democracy.

Another reporter called the attention of the former president to the assumption of Ronald Reagan to the presidency of the United States. "Well," replied Carlos Andres Perez, "we are impatiently waiting for him so that we may finally know his ideas."

In answer to a question by newsmen, the former president said that he does not favor any of the presidential hopefuls already existing in his party. "I shall favor the AD candidate," he added.

[Question] No matter who it is?

"Obviously, yes," he answered.

[Question] Who do you think is going to be the candidate?

[Answer] We cannot say yet. I would not dare to tell myself "The candidate should be so and so."

The senator for life was finally able to pass through the lobby which leads to the interior of the restaurant and join the agrarian members of his party, who welcomed him with an ovation.

8908

COUNTRY SECTION

INTER-AMERICAN AFFAIRS

GUADELOUPE, MARTINIQUE, GUYANA: STATUS OF TERRITORIES

Models of French Society

Paris LE MONDE in French 31 Dec 80 p 10

[Text] In a few days it will be 2 years ago. In effect, it was on 6 January 1979. On that day, when he received local elected representatives at the residence of the prefect at Bas-du-Fort in Gosier--where he had just been staying once again--Valery Giscard d'Estaint confirmed the "new fact" of French overseas policy, as it had been presented a few days before at Pointe-a-Pitre by Paul Dijoud, on the occasion of the first interregional conference of the Antilles and of Guyana:

"The French departments in America must appear as an exemplary demonstration of the capacity of Prench society to organize its development, its system of justice and its progress," declared the chief of state. "Naturally, the pursuit of economic and social development is the priority task to which France, together with her citizens in the Antilles and Guyana, will henceforth be devoted. The French departments of America, whatever their individual character and constraints, are called to make up the arrearages which still exist." "Thus," added the president, "in the next few years we will succeed in making these departments into an example of what French society is capable of doing in terms of economic progress, in terms of social justice and in terms of democratic freedom."

Two years after this speech, what is the result of the application of the policy of conversion to department status conducted by the government?

To the credit of Paul Dijoud [secretary of state to the minister of the interior in charge of overseas departments and territories] it is appropriate to report the preparation and the initiation of a detailed program of economic development, prepared in collaboration with local elected representatives of the government majority and the representative chambers of the three departments, summarized in June, 1979, in the charter of the "20 Basic Points" ["Vingt points d'appui"]. It is also appropriate to take note of the cancellation of certain commercial privileges and wage concessions perpetuating the colonial period, as well as the improvement of social security protection for overseas citizens, the last step to date having been the extension to the overseas departments of the metropolitan system of unemployment payments.

Considering the delays and equivocations that accumulated in the past, this appears, therefore, to be a relatively positive result. "A simple comparison with the living levels of the people of the other Caribbean islands provides evidence of the extent of the path we have covered," wrote Jean-Paul de Rocca-Serra (RPR), reporter of the Committee on Finance of the National Assembly for overseas departments, a few weeks ago, on his return from a trip to the Antilles.

For the parties of the government majority, these facts constitute so many causes for satisfaction.

Nevertheless, the negative side of the balance sheet is still substantial: a shortage of productive investments; the economic dependence of the Antilles and of Guyana on metropolitan France is not going down (the rate of coverage of imports by exports in 1979 was only 7 percent for Guyana, 19 percent for Guadeloupe and 20 percent for Martinique); unemployment, depending on the department, affects from 20 to 30 percent of the work force (the number of applications for jobs which officially have not been satisfied has gone, between 1978 and 1979, to 15 percent in Guyana, 34.4 percent in Martinique and 37 percent in Guadeloupe); administrative burdens continue to slow the application of numerous laws and massive financial aid from metropolitan France (in 1979 transfers of funds from metropolitan France reached F 533 million for Guyana, F 1560 million for Martinique and F 1802 million for Guadeloupe). These transfers of funds remain the only way of avoiding a fall in the living level of the population.

For the opposition parties this fact provides evidence of governmental inadequacy.

Between the optimism of some and the despair of others, the contrast sometimes reaches a paroxysm; periodically, tension mounts. This is presently the case in Guyana and in Guadeloupe. This is particularly the case in Guadeloupe where, in a period of 9 months 11 attempted murders have taken place, resulting in 1 death. The latest of acts of terrorism caused damage to Raizet airport 2 days after the arrival of the president in the department (LE MONDE of 30 December). Also in Guadeloupe a mysterious group favoring independence demanded that metropolitan French leave the island before 31 December.

However, there also remain confidence and a spirit of enterprise. Young industrialists from metropolitan France announce that they are going to set up business, here or there, to exploit the resources of the surrounding waters or "deposits" of new energy sources.

Beyond the political cleavages everyone is in agreement, for the rest, in underlining the fact that the nation as a whole must increase even further its efforts in favor of our fellow citizens overseas. However, everyone is also in agreement that local elected representatives and local officials must mobilize themselves to ensure that these efforts find necessary support locally.

On all sides there remains to do, in effect, so that the departments of the Antilles and of Guyana become, as Giscard d'Estaing wishes them to be, exemplary "show windows" of French society on the "balcony" of the American continent.

# Relationship with EEC Countries

Paris LE MONDE in French 31 Dec 80 p 11

[Text] An international meeting aimed at promoting cooperation between the French departments of the Antilles and Guyana and the countries of the Caribbean zone which are signatories of the Lome convention (Jamaica, Barbados, Trinidad and Tobago, Surinam, Guyana) is to take place at the end of Pebruary, 1981, in Pointe-a-Pitre. This initiative has been encouraged by the secretary of state for overseas departments and territories and favorably received by the commission of the European communities. According to Yves Pravaz, president of the Chamber of Commerce and Industry of Pointe-a-Pitre, this initiative should permit the preparation of regional cooperation agreements concerning, especially in the first stage, the prevention of natural disasters, the improvement of air and sea communications, sanitary and disease prevention activity and the development of new sources of energy.

Better late than never. It took the judgment handed down on 10 October 1978 by the court of justice in Luxembourg on the "Hanson Affair"—a minor diapute—to obtain recognition that the overseas departments of France are considered to be full members of the European Economic Community. Immediately, thereafter, the French government demanded the full application of the Treaty of Rome to each of the overseas departments and in particular the consideration of the specific economic interests of the Antilles and of Guyana on the occasion of the renewal, in 1979, of the Lome accords which had been concluded in 1974 between the EEC and some 50 countries of Africa, the Caribbean and the Pacific. (These are referred to as the "ACP countries.")

On the whole, the demands of France were met, in this regard.

Until then the Lome accords, which instituted a zone of free trade between all the signatories, not only left the overseas departments of France in direct competition with them, both in their own markets as well as in European markets, for tropical products from the ACP countries—which benefited from a total tariff advantage for their exports to the Common Market—but also the overseas departments of France could not be effit from the same tariff advantages in the markets of the ACP countries because of the principle of non-reciprocity established by the EEC. The discrimination suffered by the overseas departments was all the greater, since the competition between them and the ACP countries was distorted by differences in relative costs of production, which were 5 to 10 times less in the ACP counties. These lower production costs were the result of weakness in their social security protection and low levels of wages and salaries. As a result of this potential investors were encouraged to establish themselves in the ACP countries bordering on the overseas departments in order to have access to the markets of these departments under very advantageous, competitive terms.

For the most part, these anomalies have been eliminated in the Lone II accords, as the French overseas departments have been excluded from the application of the accords for their most sensitive products: sugar, rum and bananas.

#### Some Reservations

Article 10 of the Lome II convention provides for the implementation of a safeguard clause with the eventual purpose of protecting the French overseas markets. Article 13 provides that consultations prior to the application of the safeguard clause will not be an obstacle to immediate decisions, when "particular circumstances" have made that decision "necessary."

In addition to help from the different European assistance programs, the solidarity of the EEC was also shown by the aid provided to Martinique and Guadeloupe after cyclones had hit them.

However, the countries of the EEC remain divided over the suitability of helping the French government engage in unjor equipment and development work in its overseas departments. Thus, the Federal Republic of Germany, last November, was opposed to the application of the investment plan proposed in July by the EEC for the overseas departments.

In Paris it is considered that such an attitude reflects a short-range analysis. It has been remarked that the support of the EEC for Prance could permit our country to play a moderating role in this part of the world. Only the fruitful cooperation of the independent countries of the Caribbean with Prance, with the help of European assistance, could provide these countries, it is stated, with a means of escaping the ideological rivalries of the two world "blocs." In this sense the February meeting in Pointe-s-Pitre will also have diplomatic interest.

#### French Aid to Territories

Paris LE MONDE in French 31 Dec 80 p 16

(Text) The directing committee of FIDCH (Investment Fund for the Overseas Departments), which met 18 December under the chairmanship of Paul Dijoud, has proceeded to the earmarking of its credits for the overseas departments for 1981.

Under the heading of the general section of the fund, relating to the direct action undertaken by the state or action by the state involving all of the departments, the overall total represents F 110.8 million. The principal activities are:

- -- Irrigation programs in Guyana (F 20 million), in Guadeloupe (F 10.2 million) and in Martinique (F 8.5 million). The program under way in Reunion will receive F 3.7 million.
- -The modernization of the sugar industry in Guadeloupe (F 4 million) and in Martinique (F 4.5 million). The credit earmarked for Reunion amounts to F 4.3 million.
- -- Aid to industrialization: F 11.5 million for all of the overseas departments.
- -- Cultural activity: F 1.0 million (for all overseas departments).
  - -- Construction of forest roads in Cuyana: F 6.7 million.
  - -- Development of the Leeward Count in Guadeloupe: F 1.5 million.
  - -Land reform in Guadeloupe: F 2.7 million.
  - -- Development of new sources of energy: F 1.2 million.

Under the heading of the departmental of FIDON, which finances projects chosen locally by departmental or regional assemblies, the overall total represents the same amount: F 110.6 million.

The directing committee has divided this total in the following way:

-- Guadeloupe: F 27.4 million

-- Guyane: Y 10 million

-Martinique: P 25 million

-- Reunion: 7 34.8 million

-- Saint-Pierre et Miquelon: F 4.5 million

-- Mayotte: 7 9 million

Overall, the geographic division of FIDOM credits will be the following (all sections taken together) in 1981:

-- Guadeloupe: F 45.8 million (compared to F 44 million in 1980).

-- Hartinique: F 38 million (compared to F 31.7 million in 1980).

-- Guyana: F 38.2 million (compared to F 38.5 million in 1980).

-- Reunion: F 47.8 million (compared to F 45.9 million in 1980).

-- Saint-Pierre et Miquelon: F 7.5 million (compared to F 4.5 million in 1980).

-- Mayotte: F 17.5 million (compared to F 13.3 million in 1980).

The total amount is F 221.46 million, to which will be added the F 17 million provided through amendments in the course of the debate on the budget which took place in Parliament, whose ultimate division will take place later.

#### COUNTRY SECTION

#### VENEZUELAN SOLIDARITY PRAISED BY DANIEL ORTEGA

Caracas EL NACIONAL in Spanish 18 Jan 81 p D-3

Text7 Managua, 17 Jan (VENPRES) -- Commander Daniel Ortega, member of the Goverment Junta, said yesterday that stressing the solidarity of the Venezuelan Government and people with Nicaragua must be considered a duty.

Ortega spoke words of praise for Venezuela and later signed an agreement at Government House whereby Nicaragua is insured the supply of 7,000 barrels of petroleum daily under favorable conditions.

"Without the determined support of the government of President Herrera Campins," emphasized Ortega, "Our country would have found it more difficult to emerge from the restrictions and problems we inherited."

The member of the Government Junta emphasized, making an acknowledgement of "the important help" provided to Nicaragua by Venezuela, that it is a gesture of "solidarity without conditions, respectful and worthy of the country of Bolivar."

The agreement for the supply of Venezuelan oil to Micaragua signed here yesterday is within the framework of an energy and financial cooperation agreement with the countries of Central America and the Caribbean dated August 1980.

All the members of the Nicaraguan Government Junta expressed favorable opinions about the agreement signed with Venezuela but Daniel Ortega was the most demonstrative when he recalled that President Luis Herrera Campins and his government were the first to offer help, barely 3 days after taking the oath of office.

The agreement signed by the Venezuelan and Micaraguan governments means that 30 percent of the cost of supplies will be financed by the seller under the favorable terms of 5 years for repayment at the low rate of 4 percent interest.

In turn, Venezuelan Minister Calderon Berti said that with this type of agreement "We contribute with specific actions and not with rhetorical statements" and he confirmed the intentions of his government to "continue collaborating" with all the countries of the region "as we have done up to now with the Nicaraguan Revolution."

With the allocation yesterday to Nicaragua of a payment of \$27 million in the energy-financial cooperation program, the total amount of help received by the Government Junta directly from Venezuela or from Venezuela through OPEC is 687 million.

Venezuelan sources report that of those \$27 million, the first installment of \$17 million could become available as of next week.

8908

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COUNTRY SECTION COSTA RICA

REAGAN PRESENTS RESOLUTE NATIONAL IMAGE

PA201925 San Jose Radio Reloj in Spanish 1730 GMT 20 Jan 81

[Station Commentary]

[Excerpt] Ronald Reagan has been sworn in as new president of the United States. We express our greetings and our respectful acknowledgement of the way democracy goes on in that country.

Reagan, the oldest president ever sworn in in the United States, offered the U.S. people today a most youthful, resolute and confident image of the nation, for which he predicted a new start and changes. The 70-year-old Reagan became 40th president of the United States as a result of the popular vote of a nation that wants a change, firmness in its decisions and clear vision of its future.

Reagan does not enjoy our affection because of the extreme right position he holds, but he a president the West respects.

He is also the first divorced man ever to reach the White House and of course also the first former actor ever to swear to protect and defend the constitution. Throughout the inauguration ceremony and other activities, Reagan showed extreme calm.

COUNTRY SECTION

STATION CRITICIZES PARTY'S BAN ON NEWSKEN

PA111333 San Jose Radio Reloj in Spanish 1730 CMT 10 Jan 81

[Station Commentary]

[Text] The Democratic Renewal Party [Partido de Renovacion Democratica--PRD] owned by the Costa Rican president will again expel newsmen tomorrow. Only two political parties in Costa Rica, a country of freedom and democracy, expel newsmen. Only Costa Rica, site of the university for peace, has two political parties which expel newsmen. They are the PRD and the communists. The PRD and the communists never allow newsmen in their national conventions. The conventions of Carazo's party and the communists are always a big secret.

This is not the first time that our newsmen have been expelled from a PRD assembly. Nor is the first time that Carazo Odio has acted as an enemy of newsmen. However, Carazo Odio is an example of what publicity can do. Carazo Odio is a product of publicity, not of ability. That is why Carazo takes the luxury of expelling newsmen from his party. Not very long ago, Edgar Arce Saenz, our political affairs writer, was expelled under protest from an assembly of Carazo's party. Tomorrow he will be expelled for a second time.

Tomorrow, at 0800 newsman Edgar Arce Saenz will be present at the PRD convention and he will again be expelled because Carazo once again wants to hide what occurs in the convention. Once again he wants to maintain hidden the charges and accusations that his own political leaders will make and because he wants silence to surround the internal party coup which will be attempted tomorrow. Only the communists and Carazo Odio expel newsmen from their parties. The communists and Democratic Reneval act the same.

COUNTRY SECTION GUATEMALA

MLN OFFICIALS KILLED: JORGE TORRES OCAMPO, ANGEL ORTEGA MELCHOR

#### Torres Killed

PA142241 Guatemala City Radio-Television Guatemala in Spanish 1400 GMT 14 Jan 81

[Text] Jorge Torres Ocampo, deputy of the National Liberation Movement [MLN], was killed a few minutes ago while driving his car near 6th Avenue and 2d Street, Zone 2.

Two persons on a motorcycle fired at him, shattering his skull.

At this very moment, members of the MLN are arriving at the scene of the crime.

#### Extreme Left Blamed

PA161628 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 15 Jan 81

[Text] Deputy Leonel Cisniega Otero of the National Liberation Movement [MLN], who recently had some disagreements with the late Deputy Jorge Torres Ocampo, has accused the extreme left of being responsible for Torres' death.

[Begin recording] This is an unfortunate action which adds one more victim to the long list of people who have been killed as a result of an increasing wave of violence. It is the beginning of a [word indistinct] campaign. Not only was Jorge Torres Ocampo killed last night but also the MLN Deputy Coordinator in Escuintla Department. The relation between these two actions can be easily seen by the following. Newsman Perez Roura of the Cadena Azul de Emisoras Unidas of Miami called me at 0730 today to interview me regarding the death of Torres Ocampo, information that was broadcast by Radio Sandino last night before 2200.

We think that this is an escalation of violence. His death has undoubtedly caused some confusion among some sectors but there can be no confusion; the death of Jorge Torres Ocampo comes from a very well-known direction. Those responsible are those who are trying to subvert the system, destabilize our institutions and destroy the MLN, which is the only party that has truly defined its position in the struggle against the Guatemalan extreme left. [end recording]

#### Ortega Killed

PA161801 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 15 Jan 81

[Text] The National Liberation Movement [MLN] has issued a communique condemning the assassination of Angel Ortega Melchor, secretary general of the MLN branch in Escuintla and current mayor of Santa Lucia Cotzumalguapa. He was also MLN general coordinator in Escuintla and an MLN candidate for deputy in 1982. He was machine-gunned yesterday morning when he was going to work in the municipality of Santa Lucia Cochamalguapa.

The MLN states: The national leadership of the MLN, deeply indignant over the vile assassination of Angel Ortega Melchor, its leader in Santa Lucia Cotzumalguapa, states that it will remain alert in defense of citizens' freedoms in view of the wave of violence that seeks to halt the anticommunist spirit of the party.

The MLN communique states that the communist attacks will not weaken the party's firm position in defense of the Guatemalan people. The list of our martyrs is long but these killings will be the [words indistinct] the anticommunist leaders to prevent Guatemala from falling in the hands of those who in their quest for social justice have their hands tainted with blood.

The MLN also urged all its members to stand up in the face of the current danger.

COUNTRY SECTION JAMAICA

FORMER, PRESENT PRIME MINISTERS INTERVIEWED

Caracas BOHEMIA in Spanish 5-11 Jan 81 pp 20-24

[Interview with former Jamaican Prime Minister Michael Manley in Kingston, January 1981, and with Prime Minister Edward Seaga at his Jamaica House office in Kingston, January 1981, by Luis Martinez]

(Text) After several weeks on the island of Jamaica, our roving correspondent Luis Martinez has sent us his interviews with the two most important men in Jamaican politics.

Michael Manley, the outgoing prime minister, and Edward Seaga, the current prime minister, have answered significant questions for BOHEMIA.

Kingston, January 1981--Over the past 5 years the Jamaican political scene has been dominated by two diametrically opposed figures, Michael Manley and Edward Seaga.

Manley is charismatic, persuasive and gives his speeches in a reiterative, emphatic tone that elicits ovations and sends his audience into paroxysms.

Seaga, in contrast, offers figures, points out background information, invites his listeners to reflect and does not possess his adversary's powers of suggestion.

Whereas Manley resents criticism and at times rejects it without being able to avoid it, Seaga is colder, less temperamental.

When Manley falls in love with or is convinced of the merits of a project or when he takes an initiative, he will unleash a barrage of words to defend his views, without offering much of an analysis or any in-depth arguments.

He is enchanted by congratulations and kind comments and on many occasions showed absolutely no eagerness to get rid of a dishonest or incompetent colleague.

After firing a minister once, Manley received him in his office, listened to his appeals and wound up giving him his

job back. He handled his work load at Jamaica House without a fixed agenda or schedule, whereas Seaga arranges his activities in advance and returns to the topic at hand whenever a visitor digresses from the main issue.

Reserved and with the mental discipline of an economist, Seaga runs the government like a business. Manley's activities were marked by improvisation and constant electoral proselytizing, which often took him away from the essential functions of his post.

Manley entered politics after having served for many years as the secretary general of the National Workers Union, the labor branch of the People's National Party, which was founded by his father Norman Washington Manley.

Seaga was called upon by Alexander Bustamante to serve in the Finance Ministry after holding a deputy's seat for several terms.

Manley has a British education, graduated from the Economics School at Oxford and speaks and writes an impeccable English.

Seaga, in contrast, is a Harvard graduate, and his pragmatism is very close to the U.S. cultural tradition.

The clash of personalities reflects the fundamental divergence of Jamaica's socioeconomic course.

Manley attempted democratic socialism in a country with very weak structures. Seaga belives in free enterprise, in encouraging foreign investment and in development-oriented capitalism.

Michael Manley: "We Put Jamaica on the Map of the Third World"

Former Jamaican Prime Minister Michael Manley emerged from a lengthy silence to spell out the role of the People's National Party in the political future of this country, which has the highest cultural index and the largest population of the English-speaking countries in the Caribbean.

In his clear and elegant English, Manley replied to the seven questions that our correspondent Luis Martinez posed to him, thus demonstrating palpably that his spirit and his determination have once again entered the fray.

[Question] What were the main reasons for your defeat last 30 October?

[Answer] Serious difficulties were created by the effects of the pressures put on Jamaica by the domestic and Western Hemisphere economic forces that are

hostile to the People's National Party's struggle to give Jamaica its economic independence and to consolidate social justice for its people. Although our people were feeling the effects of wideranging programs for social change, they suffered serious economic privations throughout 1980.

On top of this was an ongoing program of violence and propagands in which the government was accused of being communist on account of its nonslined stand and its foreign policy, which mainly sought relations both with developed Western nations, such as the United States, and with Third World countries, among them Mexico and Venezuela, and socialist countries like Cuba.

Finally, significant elements in the Security Forces seemed to believe the insulting propaganda about the government's communist ties and took an openly hostile attitude towards the government and its followers.

All of these factors put together eventually carried more weight than the universal recognition of our record of social change, the bolstering of political awareness and the fact that we put Jamaica on the map of the Third World as a political force. A considerable number of voters who were undecided 3 weeks before the election were clearly swept up in a panic situation, and the intensification of the propaganda and the violence turned them against the People's National Party (PNP).

[Question] What importance do you attach to the support of the Socialist International, which reaffirmed its total backing for the People's National Party at its congress in Madrid?

[Answer] We attribute great importance to the support of the Socialist International. This organization plays a very meaningful role with regard to contemporary international problems, and we respect and honor our active participation in it.

[Question] Is it true that in the days to come the PNP's action groups will begin to engage in opposition tactics based on agitation in the streets?

[Answer] No, definitely not.

[Question] Will you be able to carry on your activities within the framework of the constitution given the Labor Party's wide majority in Parliament?

[Answer] Yes. We are in a position to carry on our activities within a legal, constitutional framework, though this will require a bit more pressure on the members of the opposition, who might be forced to handle several issues at the same time. These efforts will necessitate the cooperation of the groups outside Parliament in connection with investigations and other activities. Physical limitations aside, the size of our membership will not prevent us from fulfilling the responsibilities that 41 percent of the voters entrusted us with.

On account of certain constitutional amendments, our members of the Chamber of Deputies will not be able to prevent the government from making certain decisions. Nonetheless, our party's strength in the Senate can effectively

block the amendments that we are against, especially the important articles that require two-thirds passage in both houses, in addition to 66 percent or two-thirds backing from the people in a referendum.

[Question] What is your opinion of the aid that the Venezuelan Government is giving Prime Minister Edward Seaga?

[Answer] Naturally we are very pleased that the agreement that we worked so long and hard on until we reached an understanding with Venezuela can still bring benefits to the Jamaican people, even though we are no longer in power.

Petroleum has become a decisive element in Jamaica's development process, and it is under agreements such as the one recently hammered out with Venezuela that countries like ours will have an opportunity to survive.

[Question] Will the upswing in tourism, as recently announced by the government, continue?

[Answer] The tourist industry began recovering in December 1978, and Jamaica had its biggest season ever between December 1979 and April 1980. The uncertainty about the elections and the violence significantly dampened this recovery process. We have no doubt that the upswing in tourism would have continued no matter who won the election. The same prospects will continue beyond 1980-81.

The truth is that the efforts to reorganize the industry, by enhancing the tourism experience and teaching Jamaicans to accept tourism, were carried out under our administration, and I do not think that it can be denied that the current administration will reap the benefits of those efforts.

[Question] Do you foresee a future of peace and well-being for Jamaica under the present circumstances?

[Answer] I always hope for peace and well-being for Jamaica, no matter which party is in power. I am concerned, however, that the current administration used violence as a tool to gain power, and I am monitoring events to see what happens with this enormous army of heavily armed terrorists that they created for the elections. The extent to which Jamaica enjoys peace in the future could depend on the extent to which they and the army they organized are willing to accept the normal democratic activities that we, the legal opposition, intend to carry out, keeping in mind that 350,000 citizens, more than 41 percent of the electorate, voted for the PNP. When you find out the arswer to this question, we will know whether there will be peace.

The extent to which there will be well-being will depend primarily on whether the current administration accepts the vast social changes that have taken place in the country for the benefit of the masses that the previous administration has helped and, then, whether it keeps its promises to bring equitable and properly distributed economic prosperity to Jamaica.

Prime Minister Edward Seaga: "Venezuelan Aid to Jamaica Has No Political Strings Attached"

Seated in his Jamaica "buse office, surrounded by a lush, calm landscape and with a small group of security guards and administrative officials and employees, Edward Seaga has not halted his tireless march.

By tradition, victorious candidates seek isolation and rest to get their ideas in order and discuss their long- and short-term government plans. Edward Seaga scored his spectacular victory on Thursday, 30 October and the following day, Friday, he began work with his new cabinet.

Without bothering to rest, he traveled to Miami to attend the Fourth Conference of Caribbean Trade and Investment. He returned to the United States a few days later and at the Council of the Americas in New York, a major U.S. high finance meeting, and at a luncheon with Republican leaders in Washington he stated that not only the Caribbean but Central America as well was faced with an emergency and called for a new Marshall Plan.

In addition to his duties as prime minister, minister of finances and minister of energy and mines, Seaga maintains an extraordinary schedule, which includes meeting with three or four foreign delegations that arrive in this capital every day.

One could say that he has said enough. BOHEMIA, however, wanted to delve deeper and probe some facets of his thought.

"The Venezuelan private sector can also play a major role by showing its confidence in Jamaica's economy.

"Unlike other assistance, Venezuela's has no political strings attached."

With regard to the radical groups, which were supposedly disbanded after the elections, Seaga commented: "I don't think they have disappeared overnight, but the election outcome sent their cause down to defeat, and naturally the bottom line is that they have shrunk by more than a half.

"I have not heard rumors about strikes, bank holdups or terrorist acts that might impede the country's move towards stability and well-being."

As to marihuana, one of the exports that generates a great deal of foreign exchange for Jamaica, Seaga said: "Marihuana growing in the past was much less extensive than now, for the simple reason that in a thriving economy growers do not have to resort to marihuana as a means of subsistence. If there were no importers, there would be no exporters either. That is to say, if there is no demand, there is no supply.

"We have taken measures against marihuana consumption and trafficking in Jamaica; the trend is towards legalization in the United States. We have never taken this liberal stand; our regulations and the actions of our authorities are much tougher here.

"We in no way support the legalization of marihuana use." Deeply committed to the establishment of new relations between the United States and the Caribbean, the prime minister feels that both President Reagan and he now have a marvelous opportunity to contribute to such a rapprochement, on the basis of equality and common interests, not subordination.

He then reiterated that he was confident that such relations would spread throughout the region.

The issue of human rights does not elicit bombastic conclusions or pronouncements from him.

He acknowledges that his Marshall Plan would include all Central American countries and that some of them "have been criticized for their human rights violations; therefore, this aspect should be considered in pursuing the objectives of creating socioeconomic structures that will consolidate democratic freedoms."

He was cautious in discussing El Salvador, pointing out that efforts to prevent fanatic left or rightwing forces from taking over that republic deserved encouragement and backing but also that essential values such as the right to life, to freedom of expression and to dissent must not be lost sight of.

[Question] Is there no longer any possibility of a break with Cuba, stemming from the incident when a group of Cubans broke into the Jamaican Embassy in Havana and were kicked out by the diplomatic delegation?

[Answer] We have never tried to break diplomatic relations with Cuba, nor do we intend to change our stance as a nonalined country. As long as Cuba does not meddle in our internal affairs, our relations can be most cordial.

The prime minister's words were backed by a decision by the executive director of the Public Information Agency, Ken Jones, who ordered photographs of Fidel Castro and other Communist leaders removed from his offices, stating that the Jamaican Government is not communist; he then ordered that pictures of "national heroes be placed in all public offices" to replace them.

8743

REAGAN'S VISIT TO MEXICO ANALYZED

PA102129 Managua BARRICADA in Spanish 6 Jan 81 p 2

[Sofia Montenegro Columni "Reagan's Visit-Why Mexico?"]

[Text] The meeting between the presidents of Mexico and the United States [as published], which lasted for a few hours in Ciudad Juarez, has generated much suspense in both the U.S. and the Latin American media.

While the results of the meeting, described as "private and unofficial," are still unknown, political observers agreed that its importance transcends the limits of bilateral relations.

The suggestion for the meeting came from Ronald Reagan, under circumstances in which he is not yet officially the president, which makes it obvious that this is a case of sounding out not only Hexico, but all of Latin America, at a time when the crisis in the relations between the United States and its southern neighbors is worsening.

According to Edwin Heese, Reagan's advisor, the main objective of the meeting was to "develop initial contacts to achieve the very productive relationship between the two countries." That is desired, although analysts who are wondering what objectives the new U.S. administration will pursue in Latin America find a clearer answer in a NEWSWEEK statement that "the true test of Reagan's U.S. policy will apparently take place in Central America and the Caribbean region."

It is well known that Washington is making plans for Latin America and that these plans are being passed on from one administration to the other in the United States.

According to a Soviet commentator, one of the plans seeks to "solve" the crisis in El Salvador by means of military intervention by the armies of neighboring countries which, if necessary, would be supported by Yankee marines.

Another plan consists of forming, under Washington's aegis, a "North American common market" made up of the United States, Canada and Mexico.

Upon being elected president, Reagan admitted that the United States "throughout the years has allowed its relations with its most immediate neighbors (Mexico and Canada) to deteriorate." This is in fact an admission that one of those

neighbors--Mexico--has increased its strength and leadership in the concert of nations ever since it launched, some years ago, what it called "an offensive foreign policy" that took form in a number of initiatives, such as the world energy plan, reactionation of the north-south dialogue and pursuit of an independent policy, particularly with regard to certain Latin American processes (Chile, Nicaragua and now El Salvador).

Similarly, we can include the rise of the oil industry and increased trade with other important economic conglomerates which, as Mexican Foreign Secretary Jorge Castaneda has said himself, now gives Mexico a better negotiating position at the international level."

Reagan had said: "We will make every effort to insure that through bilateral agreements the peoples of North, Central and South America can act together in their determination to be free." Of course, his interpretation of how to be free does not coincide with that of Lopez Portillo.

Mexico defends the self-determination of the Salvadoran people and their right to choose the government that best suits their interests...the newspaper EL DIA said that what Reagan sought in the meeting was a "favorable, or at least a neutral attitude on Mexico's part in the event of a hardline U.S. stance toward Cuba, Nicaragua and El Salvador." It stated with confidence that "ofl makes Mexico strong and immune to U.S. pressure by conventional means or through flattery. There is no doubt that Jose Lopez Portillo will enforce the principles of self determination without any foreign intervention."

This certainty, felt not only by the Mexican newspaper but by all the Latin American countries that oppose any maneuver toward intervention, is what has made Mexico a kind of spokesman for the continent and is among the weightier aspects of bilateral relations that led Reagan to visit Ciudad Juarez.

COUNTRY SECTION

'COUNTERREVOLUTIONARIES' ARRESTED ON ATLANTIC COAST

PA101342 Managua Radio Sandino in Spanish 0300 CMT 10 Jan 81

(Text) Four individuals, who were arrested for counterrevolutionary activities, are in Bluefields. They were transferred here yesterday from the Nueva Guinea area to southern Zelaya. The four are implicated in arms smuggling and other similar activities in certain towns in Nueva Guinea. They will be arraigned before the courts in Bluefields.

The counterrevolutionary individuals are named Luis Beltran (word indistinct) Rodriguez, Joaquin Roja, Jose Angel Altamirano and Juan Harquin Artola. The state security organization has learned that they transferred 60 military weapons and amounition from Atlanta to Nueva Guinea.

Earlier, four other persons were also arrested for counterrevolutionary activities. They were: Miguel Hernandez, Rosalio Chavala, Juan Garcia Riva and Jose Chavarria Lopez. They were involved in counterrevolutionary activities between Huapi, La Union and the area around Wawasang Hill.

We received this information from Companero Carlos Alberto Suazo, official in charge of state security operations in the Southern Zelaya.

COUNTRY SECTION NICARAGUA

ARTICLE CRITICIZES 'PSD' NEW YEAR'S MESSAGE

PA241825 Hanagua EL NUEVO DIARIO in Spanish 16 Jan 81 pp 2, 3

[Article by Jose Alberto Lopez Chavez: "Nastiness as a Policy"]

[Text] The "New Year's Message of the Social Democratic Party" (PSD) is a veritable example of how nastiness erected as a norm for political behavior can lead a group to make ridiculous, illogical and stupid statements on a given situation. As an example of that, we have gone to the trouble of stating some views and considerations on the said "message."

Regarding what the PSD people call "deviations" from the national reconstruction program, commander of the revolution Jaime Wheelock has already stated that in any event "if there have been deviations, they have been made for the sake of the people." What bothers these agents of the higher council of private enterprise is that the so-called deviations were not made for the sake of the bourgeoisie and imperialism. What bothers the PSD people is not the supposed copying of the "Cuban system," they would want to copy other systems, preferably the Yankee system. What lies hidden behind the falsely "nationalist" cloak of a "revolution for Nicaraguans" is in fact the desire to just reform the previous (liberal-capitalist) system and not change it completely. With such stubbornly nasty views, we think any initiative, change or innovation introduced by the Sandinist Peoples Revolution will just be a "copy" of the Cuban model in the eyes of the PSD people, due to their aberrant anticommunist and anticuban bias which dims the wits of those who are firmly entrenched on the side of the counterrevolution.

Its writeups are full of the anticommunist jargon of the 40's and 50's because all this know about Marxism-Leninism is what bourgeois theoreticians and Yankee propaganda have told them. They make crazy statements on alleged "totalitarian" or "communist" regimes without getting to know the specific reality of the Sandinist peoples revolution which a heroic nation, that knew how to shake its oppressors guided by a political-military vanguard, is experiencing. Then, it does not really matter what they want to call what the Nicaraguan people are constructing here with the enthusiastic participation of the masses. It is not what the turncoats say that will come true in the end but what honest, hardworking Nicaraguans who love their country will do to create a new society that is better and different from the old one. The old fogies of the PSD and other counterrevolutionary consorts are free to call whatever names they want! Rest assured that reality will always hit you in the face!

It is understandable to the PSD people that the Sandinist Defense Committees (CDS) and Sandinist Peoples Militia (MPS) are also Cuban "copies, when in fact the CDS cannot by sheer logic be called Sandinist and be in the hands of reactionaries, counterrevolutionaries and even Somozists so that they can shoot down the community's involvement in the solution of its own problems. Also, we have no news of a ban on the creation of defense committees of the PSD and other reactionary consorts (the Social Christian Party, the Democratic Conservative Party, the Nicaraguan Democratic Movement). The MPS are not a whim of the Sandinist National Liberation Front (FSLN) either. Armed counterrevolutionary bands' forays in the north and the blood of brothers who have fallen fighting them and of poor peasants who have been killed by the bands are there to prove it.

They resent the support given the mass organizations as if the latter were alien to the people and the revolution; as if they were composed of Filipinos or Australians and not by the majority of Nicaraguans. In their willful nearsightedness, they cannot understand that the FSLN is guiding them simply because the majority of the people trust and follow their vanguard. Of course, to those who want to manipulate, the revolutionary guidance provided by the FSLN as vanguard of the entire country is beyond understanding. They cannot understand either, because it does not interest them, why the people's confidence in the FSLN has not dropped, contrary to what occurs with reactionary, traditional parties in a bourgeois democracy. PSD people, that trust stems from, continues through and is strengthened by an identification with, a loyalty to, an honesty toward and consistency with the interests of the majority of the people.

We are not going to answer all the false statements regarding the Nicaraguan basic foods enterprise, the state council, private enterprise, freedom of expression, trade union freedom, political liberty and human rights, so well known for their high degree of political stupidity, because we do not want to smear paper with things that, due to their lack of transcendence, objectively do not alter an iota of the people's loyalty toward their revolution. However, there is one point that should be noted due to its possible effect on the smear campaign against the revolution and that is what the PSD people refer to as the "policy" toward the church.

No effort has been made to undermine the church hierarchy. It is just impossible to compel those who choose reactionary positions and prefer to support the counter-revolution to get involved. It is also legitimate to make room for those who side unconditionally with the people and the revolution. The same thing is happening in El Salvador. There are those who bless genocide and there are those who struggle and bleed alongside the people, bearing witness to their profound Christian commitment!

Not even Monsignor Obando cited as an excuse for calling off the procession on I January the vulgar and hateful argument that the PSD people suggest in the aforementioned message: The alleged "political" use of the procession by the FSLN. The only "political" thing about it is the uncalled for suspension of the procession by the big opportunists of the PSD! The "political" thing about it is the right that Nicaraguans have to practice their religious traditions but only in opposition to the revolution! What has been whimsically called the "political" use of the procession is no more than a desire and an interest in dividing the revolution of committed Christians who are with the people. We think that the false and hypocritical concern over the so-called "political" use of the procession by the PSLN

is limited to its international effect, which would have enhanced the smears that have been sealously concocted and promoted to draw the attention of their Yankee masters so that they will include Nicaragua on their intervention plans for Central America.

It should be noted in conclusion that the only ones who manipulate Sandino and Marti are those who lacked the courage to invoke those figures when the risk of doing so was imprisonment or death but now, in the framework of unlimited opportunism, want to usurp a historic legacy which is too much for them and which in their hands would be soiled and distorted as an instrument at the service of the unpatriotic interests represented and defended by those who, like the PSD people, are standard bearers of Somozist anticommunism.

COUNTRY SECTION NICARAGUA

## BUSINESSMAN EVALUATES PRIVATE SECTOR'S ROLE

PA241747 Managua LA PRENSA in Spanish 20 Jan 81 pp 2, 9

[Speech by Fernando Sequeira during private business convention in Cabrera Theater; no date given]

[Text] In January (1980), I presented to the head of the Higher Council of Private Enterprise (COSEP) a brief analysis of what could be considered the situation of private enterprise with regard to the revolutionary government in our country. Almost a year later, I am submitting the COSEP plenum a slightly different version of that analysis. After hardly 17 months of revolutionary life, it seems to have greater value and significance for Nicaraguan private enterprise.

The revolutionary government's legislation, its conduct and its administrative structure of ministries, autonomous agencies and parastate bodies clearly reflect the revolution's attitude toward private enterprise.

What is the revolutionary government's attitude toward private enterprise?

We can sum it up as follows:

- 1. Private enterprise is a necessary evil that has to be put up with temporarily.
- 2. Meanwhile, it has to be weakened and the stage has to be set for its gradual absorption until it is extinguished.

How have we reached such an easy conclusion? Through simple reasoning.

it is well known that Marxist doctrine establishes, among other things, che need to abolish private property and that this doctrine prevails among the main leaders of the revolutionary government. However, experience shows that unless Kampuchea type regimes are established, one cannot immediately do away with production factors which, in our case, have been almost entirely in the hands of the private sector. Therefore, until the new state can replace private enterprise as a productive agent, it will have to put up with it as a necessary evil.

When will the new state be ready for the replacement?

Everything seems to indicate that the best gauge of that is cotton production. In other words, the new state will think it can do without the private sector when the Nicaraguan Agrarian Reform Institute (INRA) thinks it can cultivate about 150,000 manzanas of cotton with no big problem.

Meanwhile, the private sector has to be weakened and the stage set so that it will be gradually absorbed until the new state can finally cultivate the 150,000 man-zapas.

How to weaken it and set the stage?

The new state obviously has been structured around decrees and a bureaucracy which are guiding it toward the weakening and absorption of private enterprise. Let's see how and what principal mechanism is being used for that:

- 1. Weakening of the private sector through interventions, confiscations, expropriations, nationalizations; with this in mind, the firms of the Somozas, the Somozists and their affiliates have been absorbed as well as a large number of properties not included in the ad hoc decrees or contemplated in the spirit of those decrees. Currently, 40 percent of production is already in the hands of the new state.
- 2. Drowning of the private sector through an excessive tax burden.

The first step toward this was the introduction of the patriotic tax which could well have been justified if the sector had not been devastated first by Somoza's reprisals and then by the effects of 2 pre-war years and 2 months of war.

Then, income tax has been reviewed; export taxes have been created which have prevented the rehabilitation of the private sector, and land office reviews have arbitrarily increased real estate taxes. Additionally, municipal taxes are contributing to the capital drain of private property and enterprise by the revolution.

3. Strangling the private sector through financing.

The financial system, totally in the hands of the revolutionary government, can financially strangle any enterprise or person. This might be the most subtle way to weaken the sector since the lack of payment capability, a large debt or any other subterfuge that the banks resort to refuse financing whenever they want can always be cited. They can be selective as to who disappears and how without too much adverse publicity.

4. Exhaustion of the private sector through labor involvement.

Most labor organizations in the country follow the government's slogans and directives and it is well known that efforts are being made to establish a single labor federation. In the industrial sector, there is the Sandinist Workers Federation, in the services sector, there is the National Employees Union and, in the agriculture and livestock sector, there is the Faramorkers association.

All these organizations have been used to take over factories, enterprises and farms which are later incorporated into the Peoples Property Area (APP) through the People Industrial Corporation (COIP), INRA or any of the many parastate bodies. However, everything seems to indicate that labor problems related to the takeover of land and factories and strictly labor demands have also spread to APP enterprises. Therefore, at the moment, this type of mechanism is not being used to cause problems to the sector. It is to be expected, however, that when they have better control over the labor organizations, they will be used to stop, destabilize or put enterprises out of business.

## 5. Uneven competition by the APP enterprises.

The APP production activities (COIP and INRA, basically) have privileges and facilities that initially permit them to counteract their ineffectiveness but then they are used as an instrument of uneven competition.

Those privileges and facilities include: A. Large funds, terms, restructuring, payment facilities by the national financial system; B. Facilities and even a permanent delay in paying taxes; C. State subsidies; D. Priority access to the products of the monopolistic enterprises of the APP such as cement, stone quarries, plywood, lumber, salt and so forth; E. Absence of labor problems; F. Better access to and services by state agencies and institutions such as the police, the attorney general's office which has to approve real estate sales, the general income bureau for statement of financial solvency, the immigration and foreign affairs office for the purpose of passports and visas, the general customs bureau and so forth.

Although these privileges are not making much of an impact due to the inefficiency of COIP and INRA, they will eventually become a decisive factor in the survival of the private sector.

## 6. Regulations and controls.

(Price) regulations and controls can lead to the disappearance of certain production activities of the private sector, especially those involving staples such as flour, cooking oil, milk, rice, beef and so on. While it is true that some APP activities are also affected by these regulations and controls, the effect is not the same because a state enterprise has never gone bankrupt. Whether through subsidies, reprieves or permanent capital injections, they are not affected by the regulations and controls.

How is the new state going to reap its fruits?

With the creation of virtually one state enterprise for every industrial, commercial and agricultural and livestock activity. Thus we have the Nicaraguan Salt Enterprise, the Nicaraguan Coffee Enterprise, the Nicaraguan Leather Enterprise, the Nicaraguan Meat Enterprise, the Peoples Forest Corporation and so on down the line with each and every national productive activity.

All these enterprises apparently are a way for the state to gain experience and the knowled needed eventually to replace the private sector in the handling of all production and services in the country.

That is the outlook of the private sector for the coming years. The big question is how long it will take the new state to think it is ready to grow 150,000 manzanas of cotton effectively. We will have an answer to that in the next agricultural cycle. This year INRA cultivated a little over 20,000 manzanas. If that figure rises significantly next year, the goal won't be far off.

In summary, 1. The revolutionary government's doctrine requires the disappearance of the private sector; 2. Pragmatism teaches that the private sector's production is a necessary evil which has to be tolerated until it can be replaced; 3. Until it is replaced, it must be weakened and the stage set for its eventual absorption;

4. The new state will be ready for the final absorption of the private sector when INRA believes it is ready to cultivate 150,000 Manzans of cotton.

Thus, what is the last question that private enterprise should ask itself?

I would say: What to do? Where to go?

To start to answer that question I would suggest to this assembly meeting:

That COSEP suggest to the revolutionary government an assembly in which 30 COSEP representatives and 30 representatives of the revolutionary government will discuss for as long as necessary and reach the agreements needed to guarantee the permanence of private enterprise in the country.

The assembly could be held before the eyes of the diplomatic corps acting merely as observers and it should end by 15 March 1981 at the latest.

Its agenda, as well as an agreement on the rules and procedures should be previously decided to make the meeting orderly and really productive.

COUNTRY SECTION NICARAGUA

# U.S. SAID SETTING STAGE FOR INTERVENTION IN CENTRAL AMERICA

Managua Radio Sandino in Spanish 1800 GMT 16 Jan 81

[Unattributed Commentary]

[Excerpt] The consolidation of the Cuban revolution which triumphantly advances in the construction of socialism in the fatherland of Jose Marti; the victory of the Sandinist people which has established on the continent for the first time in history a popular, democratic and anti-imperialist revolution; plus the heroic struggle of the peoples of the area against oppression and poverty and on behalf of democracy and national liberation—all this has made irreparable economic, political and military cracks in the system of imperialist domination in Central America and the Caribbean. This has caused the moral deterioration of its policy in the region and has not permitted the imperialist centers of command to freely accept that the new reality in our America cannot be met with the demonstration of obsolete power used by U.S. imperialism up to decade of the 1960's.

This situation has made it possible for the most reactionary sectors of imperialism to recover lost ground in circles of power and to restore old methods of conquest implemented at the beginning of this century which represent a serious threat to peace not only for Central America and the Caribbean but also for the rest of the America and the world. Insisting on the use of aggression although they lack a just reason, they rack their heads seeking an excuse for a direct military intervention in the area and are resorting to the dirty maneuver of dirty lies, slanders and threats against the Sandinist People's Revolution and the revolutionary government, accusing us of military intervention in the liberation struggle of the Salvadoran people.

Only yesterday, U.S. Ambassador Robert White, as if the Salvadoran government could not speak for itself, accused the Nicaraguan government for the alleged landing of guerrillas in El Salvador. The U.S. State Department did not even bother to apologize afterward. What is even worse is that later on Mr Trattner, U.S. State Department official spokesman, instead of denying such charges went ahead saying that Ambassador Pezzullo had conveyed to our government his government's concern over the situation.

Obviously behind this shameful maneuver is the intention of creating an international climate proper for their interventionist plans, not just in El Salvador but in other areas of the region. It is no accident that this attitude coincides with recent statements of General iaig, who has been appointed Secretary of State by Mr Reagan, suggesting that the solution to the Salvadoran problem demanded the previous solution of other problems in the area.

The Nicaraguan people with their brotherly and militant solidarity with the heroic struggle of the Salvadoran people are not scared by a threat no matter from where it comes. To say that we are intervening in a problem which only the Salvadoran people have the right to solve without the intervention of foreign powers, is a big lie.

COUNTRY SECTION NICARAGUA

COMMENTARY: U.S. SHOULD NOT AIMIT COUNTERREVOLUTIONARIES

PA231531 Managua Radio Sandino in Spanish 1200 CMT 22 Jan 81

(Station Commentary)

[Text] Why is the United States continuing to receive counterrevolutionaries? It is strange that the U.S. Government, which has repeatedly voiced its intention to maintain relations of friendship and mutual respect with Nicaragua, has allowed in its territory a counterrevolutionary who has shamelessly announced in that country his participation in activities which are aimed at altering Nicaragua's internal order through military adventures.

Jose Francisco Cardenal left Nicaragua on his own free will and for the sole purpose of meeting abroad with the bands of counterrevolutionaries who kill Nicaragua's people and combatants. Therefore, it is inconceivable that this man publicly calls himself an exile. It is the responsibility of the U.S. Government to prevent its territory from being used as a base of operations of Nicaraguan counterrevolutionary groups which, it appears, feel so bold that they even make statements in the newspapers announcing their dangerous adventures.

Second, the Cardenal case, like the Jorge Salazar counterrevolutionary group, and it would not surprise us if he were linked to that group, illustrates clearly the tendency of some business groups. All the patriotic sectors should be alerted to this fact.

We refer to the utilization of organized groups and the instruments of national unity as a cover for implementing counterrevolutionary activities.

Both Cardenal and the deceased Salazar were members of the board of directors of the higher council of the private enterprise, an organization that describes itself as civic, and both have chosen the path of Somozist counterrevolution without ever having been questioned by their business colleagues.

What arises before the eyes of all the people is that the revolution makes an effort to strengthen the instruments of national unity such as the state council, in which all the sectors of the nation participate, and the counterrevolutionaries take advantage of the opportunities which being a member of a civic organization offers to openly hatch criminal plans against the people.

Soon, we will know the degree of organizational bonds existing between counterrevolutionary elements and the groups that have protected them and made them legitimate.

Third, the statements of this black cardinal named Francisco, despite his boasting and cowardice, confirm the existence of counterrevolutionary groups in this country which enjoy support abroad and are bent on frustrating the desire of the Nicaraguan people for peace and progress.

And this is not the only evidence of danger because, although the newsmen at the service of imperialism are bent on proving, with the help of interested parties, that there is no threat of aggression to the Central American revolution, facts show the contrary.

The state department's interest in manufacturing a Nicaraguan invasion in El Salvador to justify intervention; the announcement of possible economic pressure and the \$10-million military aid to the Salvadoran junta certainly make this Pancho Cardenal look like the poor clown of a bigger circus.

In any event, the Nicaraguan people organized in the armed forces, the Peoples Sandinist Militias and all the mass and patriotic masses are willing to defend this revolution in the face of any aggression, from wherever it may come, and while the servants of imperialism ask the government and the people, through the daily LA PRENSA, to not take steps in the face of the threats, in an open demonstration of antipatriotic complicity, increasing contingents of patriots are joining the peoples militias to defend revolutionary conquests.

Whether native turncoats like it or not, defense will continue to be a priority task of the revolution and they will never succeed in disarming the people.

Noticiero Extra [name of newscast] reiterates its call to all the people to defend the fatherland, to defend the revolution. The slogan is: all the people to the militias: each Nicaraguan a militiaman.

COUNTRY SECTION NICARAGUA

#### BRIEFS

NEW COSTA RICAN AMBASSADOR—Mrs Maria Elena Chassoul Monge, the new ambassador of Costa Rica, today presented her credentials to Dr Rafael Cordoba Rivas, member of the government junta. [Managus Sistems Sandinista Television Network in Spanish 0200 GMT 9 Jan 81 PA]

AID FROM FRANCE, EEC--The French embassy has reported that France's aid to Nica-ragua during the revolutionary government has been substantial. The scope of the aid was enhanced by the contribution of the EEC, whose program for 1981 will be managed by France. Benefits granted in 1980 and to be granted in 1981 under a recently signed agreement include technical advice on electricity, industrial, education and sanitary planning; cultural exchange; scholarships for Nicaraguan students; deliveries of surgical equipment and medicines; assistance to medical corps and hospitals; technical assistance to agriculture and economic assistance through long term loans. [Managua LA PREMSA in Spanish 2 Jan 81 p 5 PA]

CLANDESTINE STATION IN MOUNTAINS—A signal is being received from a clandestine radio station in the Nicaraguan mountains which transmits from 2000 to 2200 nightly with "hot lead" against the regime. It has said that it neither accepts Somozists nor communists in its movement. [From the "Chiricosas" column] [Text] [PA142031 Fanama City LA ESTRELLA DE PANAMA in Spanish 14 Jan 81 p C-8]

MONTALVAN FREE TO TRAVEL ABROAD—Wilfredo Montalvan, secretary general of the Nicaraguan Social Democratic Party, is free to travel to wherever he wishes. The obstacle placed in the way of his trip to Venezuela was not due to political motives, but to an error in immigration procedures. It was an internal mistake within the immigration office. However, an apology was extended to Wilfredo Montalvan, said Lila Aguilar, deputy director of the immigration office. Moreover, Aguilar said that there were no higher orders to detain Montalvan. The whole problem was caused by an involuntary error on the part of a companero who works in the airport, she reiterated. Some news media have taken advantage of this error to try to irresponsibly discredit the Sandinist revolution, the official said. We admit our error because we are revolutionaries, Aguilar said. Therefore, radio listeners, Wilfredo Montalvan, secretary general of the Socialist Democratic Party, is free to travel to wherever he wishes: to Venezuela, El Salvador, Miami or any other country. [Text] [PA201239 Managua Radio Sandino in Spanish 0300 GMT 20 Jan 81]

# REAGAN URGED TO UNDERSTAND LIMITS OF U.S. POWER

PA211244 Panama City CRITERIA in Spanish 19 Jan 81 p 6

["The Revolution Does Have Its Writers" column by Juan A. Bernal: "Is Reagan as Fierce as He Is Made Out To Be, or Will the Cowboy Policy Prevail, or Will It Be Better To Deal With Reagan Than With Carter, or What Will Be the First Checkmate Imposed By the Russians on the Chinese?"]

(Text) On the few occasions in which I have heard or read foreign policy statements made by Mr Reagan, I have found only very incidental differences with those of Mr. Carter, instead of opposing concepts, one sees discrepancies of tone and mode. This does not mean that they are not important; they are, but they are not the essence of foreign policy. For example, both Mr Carter and Reagan look at fidel with antipathy and would like to wipe him off the map. The difference is that Carter would like to do it with peanuts, while Mr Reagan hints that he would act like the good guy in "cowboy" pictures who goes into the saloon where the bad Buys are and sets them straight, revolver in hand.

In other words, Mr Carter filled U.S. foreign policy with a lot of gibberish (in Reagan's words), that is, sermons about human rights and very good advice, the results of which was that the Russians and Communists the world over had a hearty laugh at the fierce Yankees.

I am going to be respected. Anyone who looks for trouble with me is going to find it, no matter what happens. Those Communist "somefabitches" are going to find out what a good-and-mad gringo is like, Mr Reagan says at every turn. Moreover, he hints that he will put up a fence just like those found on Texas ranches, with a signpost at every meter carrying the following warning: No trespassing, ignore at your own risk!

To a certain extent, we are returning to the times of Mr Dulles who, no matter what he did, could not modify the geopolitical structure of the world or stop the social or political changes on the Asian continent, with the geopolitical results now visible in that part of the world. That extraordinary effort to organize the world according to U.S. political criteria failed for reasons beyond U.S. control.

I believe that Mao Zedong hinted at the essential element of this U.S. inability to control the world when he said: "Let the North Americans invade us (at the time there were 600 million Chinese) and we will drown them in the peoples war. If they all come, there will be no one loft in the United States and we will still have 400 million Chinese left over to wipe them out and occupy the United States." With a

difference of a word or two, that was what the great helmsman said. He said it very simply, in the Chinese style.

I believe that one can find in this the limiting factor of U.S. foreign policy: There are not enough gringos to dominate the world. Let us hope Mr Reagan understands it in time, before he jumps on his horse, armed to the teeth, to find the cowboys of the opposing ranch.

### COLUMNIST SAYS REAGAN MUST PACE TODAY'S REALITIES

PA202224 Panama City LA REPUBLICA in Spanish 19 Jan 81 p 15

[Column by Ramon A. Dorado]

[Text] By glancing at the names of Mr Reagan's cabinet members one can confirm that he is definitely inclined toward the ultraright.

I wish I were wrong because Panama and other countries have suffered due to the presence of reactionary rulers at the White House.

Nevertheless, these are different times than those of Theodore Roosevelt when the poor countries did not have a force capable of maintaining a just balance between the weak and the powerful nations.

To shun the realities of this time of the century could spell disaster to the previously prepotent and abusive United States.

These are not the same times as those of Theodore Roosevelt, the rough rider, when the United States could sink its claws into Panama and Cuba.

Mr Reagan will be holding in his hands the destiny of the country that up to 3 decades ago [as published] was the most powerful nation on earth.

COUNTRY SECTION PANAMA

#### REAGAN SEEN FACING DIFFICULT TASKS AS PRESIDENT

PA252008 Panama City LA REPUBLICA in Spanish 20 Jan 81 p 14

(Article by Rafael Bolivar Ayala: "Difficult Task at 70 Years of Age")

[Excerpts] The United States changes president today when, in this nation of more than 221 million people, President James Carter, a native of Plains, abandons the White House and leaves the Oval Office to new tenant Ronald Reagan.

The new president of this powerful nation must face serious political, economic and social problems. He will also have to rectify the deteriorated image of the U.S. government in recent years, an image that was seriously affected by the harsh blow dealt it by Vietnam, the fall of numerous allies who criticized the lack of support and indecision that characterized the Carter government (the Shah and Somoza) and, finally, by the disastrous abortive incursion into the Persian Gulf.

With regard to Latin America, Reagan must improve his relations with the hemisphere in order to change the hemisphere's negative attitude toward his own political career.

For some conservatives, Reagan's arrival in power has led to the highest expectations, as they foresee a toughening of relations with the communist bloc. For other sectors, however, the Californian's arrival in the U.S. Presidency implies a closing of ranks in the face of the attacks that Reagan's government is expected to promote, which might also turn into an escalation by the rightwing sectors.

In any event, Reagan does not represent the best guarantee of nonintervention and neutrality for the Latin American groups currently struggling to bring about structural changes. This is evident from the statements that the new president has made in connection with Latin American politics.

Although the Senate opposes him, Reagan expects "to :4ise" the flag of international leadership and "to save" the American people from the violent economic recession that has resulted from the current energy crisis.

In any event, for a man who is entering the most critical phase of his life burdened with 70 years of age, this is definitely not a task that can be considered easy.

CARTER'S TERM DEEMED 'ADMIRABLE'; REAGAN'S TOO EARLY TO TELL

LA211727 Panama City MATUTINO in Spanish 20 Jan 81 p 4A

[Editorial: "Closure and Opening"]

[Text] The ceremony that will conclude Jimmy Carter's presidential term and begin Ronald, Reagan's will take place today.

As is natural, the world's attention will be focused on the incoming president around whom much speculation has been centered; such of it is the result of the statements that the 40th U.S. president has made.

This attention with broad shades of expectation is based on the belief that Mr Reagan and his team of advisers and aides will promote a new "hard line" like a stylized "big stick" with very special characteristics but which will be no different from the old methods of predominance imposed by Theodore Roosevelt. Only the future can say whether this is in reality their intention and whether today's world will let them carry out such plans. But for the time being, we believe it is wise to wait for events without the haste which always leads to problems and without the carelessness or overconfidence from which the best demands and highest aspirations of peoples usually suffer when the people do not know how to wisely balance patience and understanding with their constant real for their great national interests.

But at the same time that we give the benefit of the doubt to the future actions of Mr Reagan, we Panamanians have the moral obligation of giving Mr Carter sincere recognition, fully justified in the light of his actions during his Presidential term.

Although it is undoubtedly true that the advances achieved by Panama in the road to its definite liberation were due to the firmness of its people, to their ability to choose among other paths, the one shown by General Torrijos, it is no less true that it would have been extremely difficult if not impossible to arrive up to where we have arrived if the cause of justice had not counted with a man who was convinced that the destiny of great men and peoples can be no other than the path that leads to fairness, divested of any prejudice, speculation and doubts regarding the political cost of actions.

With the signing of the treaties which place Panama at the doors of its historic objective, Jimmy Carter has undoubtedly won a place of honor in history. There, among the great men of all times, the scholars of history will find him if they

want to thoroughly learn the causes and consequences of this century's historic events in America; of that America which speaks Spanish and the one which speaks English in the Caribbean, that America which on 7 September felt that Jimmy Carter's sincerity and understanding deserved its deepest admiration.

A number of factors during the last months of his term along with the majority decision of his nation determined that the Presidency would be turned over to the man who today will occupy the Presidency. Among these events, the seizure of the U.S. citizens in the Embassy in Tehran by 400 Islamic students has been the most significant one with the greatest amotional and political impact.

Since then, the burden of this action of Islamic piracy has always been in the mind of Mr Carter, preventing him from thoroughly carrying out any other activity which was not that of obtaining the release of those hostages.

At the time this editorial is being written, Carter continues the struggle he has been waging to bring home those captives of international terrorism in its wormout form of kidnapping.

When that liberation comes, when the 52 hostages are back in their homes, the world will then have another reason to admire this prudent and wise man who even with full knowledge of his nation's power has preferred to work for that release through peaceful means instead of threatening the world with the hell of war and total extermination.

In short: For Mr Reagan, respect and the benefit of the doubt; for Mr Carter, admiration and a speedy passage into the pages of history which never die.

COUNTRY SECTION

'REAGAN ERA' VIEWED AS NEW FILM SERIAL

PA252100 Panama City LA REPUBLICA in Spanish 20 Jan 81 p 10

[Dr Secundino Torres Gudino's column: "The Reagan Serial Has Begun")

[Excerpts] With the inauguration today, what has been called the Reagan era will begin. It has been called this because of the U.S. newsmen's and politicians' predictions about the new conditions that the new administration will impose.

If the stance of the United States, which now competes with the Soviet Union for world beginning the changed externally in any way, internally, the social contradictions in that northern country will be intensified and the political system which has prevailed since 1776 will not be able to modify or vary them. Brilliant presidents trained to rule, such as Wilson, Kennedy and Roosevelt were unable to do it. So somebody who only has to his credit an overwhelming popularity, boosted for more than 30 years by the mass media, particularly the film industry, won't be able to do it either. The new president is merely a product of the film industry which today begins a new serial. Its protagonist is Ronald Reagan.

The Reagan era has begun like a film serial, with a preview for the benefit of viewers—the release of the U.S. hostages captive in Iran. But this era, or rather, this serial, cannot extend beyond 1984, because it cannot resolve the problem of the great U.S. majorities, comprised of increasing and numerous minorities. The system will not be able to change and, in the end, there will always be the frustration of the television viewer, who avidly awaits another serial or episode in order to receive a new hope, a new message.

The U.S. republicans will be replaced. This is demanded by the system. And in this case, it is highly improbable that the new president will once again become a candidate.

'CRITICA' WISHES SUCCESS TO REAGAN ADMINISTRATION

PA241725 Panama City CRITICA in Spanish 21 Jan 81 p 30

[Editorial: "In the Face of the Reagan Administration"]

[Text] In view of the inauguration of the Reagan administration, the only thing we can do is wish it success since we are facing something that no one can predict.

It is wrong to advance an opinion since only time can tell us about the results of an administration which to many people means the continuation of the Carter administration while for others it means the military buildup of a power that seeks to lead the world on the basis of its military might.

However it is, the reality of the United States is firm and whether we like it or not we are part of the same continent and we jointly have to live the good and the bad with our other American brothers.

We believe that the Reagan administration will be the product of the great pressures of big U.S. capital but that in the end, as a result of international pressure, it will try to prevent at all cost any armed confrontation because in a war no one comes out a winner. It would only achieve the end of communism and capitalism and perhaps give rise to a socialist-democratic government.

In conclusion, for the time being, we can only express hopes for peace because that is where the world's salvation lies.

COUNTRY SECTION PANAMA

#### REAGAN INAUGURAL SPEECH PRAISED FOR MODERATE TONE

PA241937 Panama City LA REPUBLICA in Spanish 22 Jan 81 p 3

[Editorial: "The Inaugural Address"]

(Text) The western and socialist worlds alike lived moments of suspense during the swearing in of Ronald Reagan as president of the United States. The suspense was based primarily on the many statements made by the U.S. president during the long electoral campaign. International observers believe that some of those statements were deliberately warlike in order to get votes.

We must admit, however, that President Reagan's inaugural address was merely a brief, but comprehensive analysis first, of his country's situation, and second of international events.

After being sworn in, and according to tradition, the new president addressed his nation, the most powerful on earth. Contrary to expectations, when he discussed the international situation, he chose his words carefully. He cast aside the expected threats. He did say, however, that his country wants peace and will fight for it. He said that from now on, he will be ready to face any attempt to endanger the security of the United States, its friends, or allies.

Regarding the domestic picture, to which he dedicated most of his speech, the new U.S. president did not nourish any illusions of a prompt recovery and strengthening of the country's economy. He had said, previously, at a press conference that "it had taken a long time for the economic situation to arrive at its present level, and that it should not be expected that it could be remedied in a few short days without much efforts." He stressed that, "we will start to work immediately with all the necessary energy to begin an era of renewal of a new stage to confront the economic crisis."

As we said at the beginning of this editorial, President Reagan's inaugural address was serene, pragmatic, and dwelt on the domestic as well as international situation. To Latin America he promised "a just treatment, without affecting the states' sovereignty, being loyal to the loyal friends of the United States."

The United States traditionally grants new presidents 100 days as an initial transition period. It is expected that during those 100 days he will be engaged in putting his new government in order, fixing policies, issuing decrees, programs, and setting goals. The president, however, announced that he would immediately

take the initial measures he believed to be essential, because throughout the campaign and the so-called transition period, plans had been made which can be applied immediately.

The moderate tone of President Reagan's inaugural address has brought a sense of initial relief which might be a prelude to a return to detente between the two superpowers.

COUNTRY SECTION PANAMA

#### COLUMNIST LISTS WHAT PANAMA EXPECTS FROM REAGAN

PA252158 Panama City LA REPUBLICA in Spanish 22 Jan 81 p 15

[Joaquin Beleno column: "What We Expect from Reagan"]

[Text] We Panamanians trust that Reagan will treat us fairly as befits members of the international community of nations. We want the Torrijos-Carter treaties to be interpreted with the same justice that they were drafted, and with Carter's letter and spirit, and not with the amendments which members of the U.S. Senate have unilaterally imposed on them.

We want our country to be respected just as the superpowers respect each other and treat each other on an equal footing. We do not want our coexistence of many decades to be altered by the residents of the military bases in Panama, who want to have again a place called Panama Canal Zone.

We want to keep on advancing in a world of development and progress. Therefore, we expect from Reagan all the understanding of a president of a powerful nation which has as its ally a country that has given the United States many favors and advantages.

We believe that to trample on 2 million Panamanians because of 15 U.S. citizens is absurd, especially when the 15 have more privileges than any group has ever had in the history of mankind.

From Reagan we expect respect for our idiosyncracies, and the way we proceed within our borders. We therefore, do not want impositions, or "advice" aimed at teaching us to do things that benefit the United States and not ourselves.

We trust that Reagan will continue to pave the way with the utmost cooperation, so that the Panama Canal will revert to the Republic of Panama in 1999, and that no new interpretations will be used.

From Reagan we expect a strong United States which respects weak nations. We expect him to understand domestic issues and hope he will struggle against that world-wide hunger called inflation. We do not want to see the United States with much food and wealth and misery in our countries. We hope that Reagan will not confuse the common sense of struggling against communism with the struggle against despotic regimes in the continent which only produce refugees and operate torture chambers.

COUNTRY SECTION PANAMA

# CAUTIOUS ATTITUDE ABOUT REAGAN STRESSED BY COLUMNIST

PA241832 Panama City MATUTINO in Spanish 22 Jan 81 p 6-A

[Column by Ricardo Lince: "Within the Wait-and-See Period"]

[Text] President Reagan has announced that the United States will not make use of friendship to impose its sovereignty. This represents a real commitment that his administration will respect the letter and spirit of the Torrijos—Carter treaties, the effectiveness and life of which revolve around the inalienable right of peoples to make decisions about their own affairs. These concepts are sacred to Panamanians and are in perfect tune with other statements made by Reagan when he assumed office to the effect that the United States will reciprocate loyalty with loyalty and will try to make relations with friendly countries beneficial to both sides." [Quotation mark as published]

It was precisely the profound substance of this last statement which inspired our relations with the United States during many years of our republican life and it was this hope which prompted efforts to bring justice into these relations, which misunderstanding was making increasingly complex and difficult.

Reagan announced that he would begin right away to implement his programs to carry out a momentous revolution on the U.S. domestic front. Logically, this will attract most of his attention in view of the magnitude of the programs dealing with productivity, tax reform, fighting against unemployment and inflation, which require difficult and strenuous efforts in order to score achievements and deeply impress the U.S. people.

Therefore, it is to be presumed that unless the Panamanian government renews its just protests over the Murphy Law, which violates the spirit and the letter of the treaties, as a timely challenge to Reagan's statements, the new U.S. add the letter of the will not begin a full review of the U.S. policy toward Panama before reversely natters which are highly important to the economy and security of the United States and this work will take at least 2 or 3 months.

The Panamanian government's wait-and-see attitude is highly significant and so is the suspense among the Panamanian people. Their maturity and reflection are keeping them from making rash statements and prompting them to open a period of reasonable observation, full of calm and patience, under the certainty that no date or deadline will fail to expire.

Thus, with a superior style, Panamanian diplomacy is dutybound to handle this new relationship in such a way as to extract from past painful experiences the teachings that will give a dimension to a struggle that must fall within the framework of its true historical context.

#### COLUMNIST DECRIES REAGAN JOKE ON CANAL

PA270022 Panama City MATUTINO in Spanish 26 Jan 81 p 6-A

[Column by Ricardo Lince: "The English Channel [El Canal de la Mancha] and the Stain Over a Canal [La Mancha de un Canal]]

[Text] On Friday evening, Channel 4 aired a special program, of the type that actors periodically organize, which at bottom seek to improve images and, as was the case with this program, turn--if readers will excuse me--into a kind of mutual exchange of praises using chamberpots.

Friends and a bunch of sympathizers participated in this program which was dedicated to praising the figure of septuagenarian singer Frank Sinatra. Amid jokes and good humor, they retained the television viewers' attention in order to partly fulfill the recreational mission that it is up to this type of public services to carry out.

But it fell to current U.S. President Ronald Reagan to praise his friend and to comment on his artistic and personal successes. In a crack of black humor, he predicted that "if the United States had to give a canal back to Panama, it would be the English Channel."

The joke, of course, disclosed to his huge audience his intentions regarding Panama and its canal and, coming at a time of heated debates on Panama's aspirations, it constituted an incisive and categorical political response.

Mr Reagan has now become President of the United States. This perhaps will not change his profound thoughts about the fate of Panama as a free country and of its canal as its most important natural resource.

However, in the course of events, the English Channel [Canal de la Mancha] acquires a more serious and meaningful connotation, more incisive and biting because for the United States and the history of its relations with Panama, it is a canal with a stain [canal con mancha] which has been preserved in the Isthmus. A disgraceful stain plagued with injustices. A stain that believes the principles that led to the formation of the great U.S. democracy. A stain that put the United States in the dock before a perplexed world that watched the behavior and the conduct of the one that claimed to be the biggest democracy in the world, yet kept Panama defenseless and with its hands tied. That stain over our canal is what Reagan will not be able to erase with film-style jokes if he wants to be an effective rather than a motion picture president.

COUNTRY SECTION PANAMA

# U.S. SOUTHERN COMMAND OFFICER DENIES LEFTISTS' REPORT

PA140417 San Jose Radio Noticias Del Continente in Spanish 0100 CMT 14 Jan 81

[Text] The U.S. Army Southern Command today admitted that Salvadoran soldiers and officers have arrived at its bases in the Canal Zone, but at the same time, it denied it has any relation with the current guerrilla offensive in El Salvador. A dispatch from EFE, the Spanish News Agency, signed by Antonio Martinez says that a report attributed to the Salvadoran opposition, which was published this morning in Panama City, mentions special activities by U.S. air force in the Canal Zone during the past few days which have to do with the offensive in El Salvador. The report refers to the arrival of the chief of the Salvadoran air force and his assistant in a U.S. military base and of the training of Salvadoran troops in antiguerrilla warfare, plus the arrival of large military aircraft from the United States.

Col Mark Richards of U.S. Southern Command in Panama told ACAN-EFE that as a matter of fact several Salvadoran soldiers and officers have received training in the school of the U.S. air force and the U.S. navy and the School of the Americas. However, he added that this training is part of the military instructions for Latin American countries which was programmed 4 or 5 months ago and which now by chance coincides with the offensive unleashed by the Salvadoran rebels.

According to the leftist report carried by ACAN-EFE, a Salvadoran military mission arrived abroad a DC-6 plane from the Salvadoran air force on the afternoon of 9 January. The mission was headed by Colonels Avalos and Zelaya and other officers. An hour after their arrival the Salvadoran officers met with top officers of the U.S. Army Southern Command in an office of the U.S. air force at Howard Air Force Base.

The ACAN-EFE dispatch, signed by Antonio Martinez, says that Colonel Richards indicated that only a DC-6 plane of the Salvadoran air force arrived in Panama on 9 January with a group of Salvadoran students and that the plane returned to its base on 10 January after the crew had rested. Colonel Richards denied that U.S. planes have flown to El Salvador or have arrived in Panama with Salvadoran students. He also denied that the Southern Command had supplied arms and ammunition to the Christian Democratic Junta army.

The ACAN-EFE report says that Colonel Richards explained that there has been no consultations for months between the Salvadoran army and the Southern Command authorities. Richards said he does not know any Colonel by the name of Avalos as chief of the Salvadoran Air Force. He things that Colonel Zelaya is from Honduras. He also stressed that neither Avalos nor Zelaya were in Panama, more particularly at the Southern Command.

In Antonio Martinez report, Colonel Richards reported that five Salvadoran officers and four soldiers will arrive in the next few days at the Southern Command to take a course on small vessels. This is a routine course.

According to the report from the Salvadoran opposition an intense antiguerrilla training program began at 0700 on 12 January, for 100 airborne troops. The day before, the same DC-6 participated in operations of intense artillary fire from helicopters equipped with M-30 and M-50 machinegums. The ACAN-EFE item says that the opposition report says, among other details worth mentioning, that during a single day of training a total of 200,000 rounds of amounition were fired in the shooting range in the Balboa area near the Canal exit to the Pacific. On the same day, 12 Cl41 military transport planes arrived at Howard Air Force Base with an undetermined number of troops equipped for immediate disembarkment and which were distributed the same night in Fort Clayton, Fort Gulick and Fort Sherman, the leftists say in their report.

According to ACAN-EFE item, in the past few days there has been an increase of flights of observation and troops transportation helicopters. Thousands of officers and soldiers of Latin origin have been brought into these forts. The ACAN-EFE item says that the activities aforementioned could be aimed at an open U.S. intervention or a disguised peace force from the United Nations or OAS to prevent the fall of the Christian Democratic Military Government in El Salvador.

Finally, the ACAN-EFE item says that copy of the report given to the agency has an unintelligible signature, but that sources from the Salvadoran opposition with base in Panama City assured that the document is genuine.

COUNTRY SECTION

#### INTERVENTION IN EL SALVADOR VIEWED

PA262323 Panama City LA REPUBLICA in Spanish 25 Jan 81 p 4-A

[Mario Augusto Rodriques Column: "Intervention in El Salvador"]

[Text] 1. Hilitary Missions

Although they are not members of the army that for scores of years has tortured and despotically ruled the Salvadoran people. The members of the various missions that the Military-Christian Democratic Government of that sister country has sent to our nation and to other Latin American countries are military in nature as well as in mental and emotional outlook. Last week, several of those missions, comprised of ministers of state and other high-ranking government officials, visited this capital. All of them called "press conferences." Their purpose, which they repeatedly stated, was to fight the "misinformation" on their country to which we, Latin Americans, are being subjected. Although none of them holds a military rank or wears military uniform, all of them speak the arrogant and conceited, insolent and domineering language that for many years has characterized the military forces that have traditionally served as instruments of the exaggerated ambitions of the famous "14 families" that monopolize not only the natural resources of that sister nation, but the inhuman exploitation of the Salvadoran people as well. All of them went as far as to openly insult Panamanian newsmen by affirming that the latter do not know how to carry out their informative tasks, but merely serve as instruments of the "misinformation" organized by their country's "ultraleft."

#### 2. The "Ultras"

With deliberate premeditation, the Salvadoran Military-Christian Democratic Missionaries indicate that violence is their country's problem. They accuse the "ultras"—the ultraleft and the ultraright—of this violence. But when specifying and making precise charges, they never mention the "ultraright"; they always refer solely and exclusively to the "ultraleft." It is the left which attacks the army. The left, organizes the strikes. The left, carries out terrorist attacks. The left, owns the weapons and ammunition that they discover and confiscate. Never have they mentioned a single action which, in their opinion, had been committed by the right. They have never announced the detention of a single ultrarightist, the raid of an ultrarightist center or residence or the discovery of a single cache of the weapons and ammunition that the ultrarightists use to massacre the people and to kill bishops, priests, nums and newsmen.

#### 3. Intervention

In a weak effort to justify U.S. military intervention, the Military-Christian Democratic Missionaries affirm that the ultraleft is the one promoting the intervention of Cuba, the Soviet Union and the PRC and even of Nicaraguan Sandiniets and Panamanian communists. In this manner they seek to sidestep the unquestionable, clear and evident fact that for the past 50 years, the Salvadoran army has been trained, armed and supported by the Pentagon. It is not just now, when the people's rebellion has begun, that the United States has started aiding and collaborating with the Salvadoran armed forces. U.S. military intervention began more than 50 years ago. Thanks to the preparation and the training, the weapons and the ammunition, the armored tanks, helicopter gunships, and fighter-bombers supplied by the United States, the Salvadoran army has maintained people subdued and workers and peasants frightened, so they all resign themselves to being exploited by the minority that monopolizes both power and wealth. In addition, that same army has used its war power to attack neighboring Honduras and to collaborate with tyrants like Somoza in Nicaragua.

#### 4. Reaction

The extraordinary thing is that the U.S. government, and above all, the military in the Pentagon, have allowed those same weapons and amountion that they so generously supply to the Salvadoran armed forces to be used against U.S. citizens. The investigations conducted by the Americans have shown that their machineguns, their rifles and their bullets have killed four nums and several other U.S. citizens, including a number of newsmen. It has also been shown that these weapons and amounitions, manufactured and given by the United States, were the ones that assassinated Bishop Romero, half a dozen popular leaders, and thousands of men, women and children, many of whom had nothing to do with the popular rebellion against the Military-Christian Democratic Regime that now serves as a front to the dozen power barons who have seized all of that sister nation's natural resources.

# 5. Misinformation

I believe we are indeed very deficiently informed about what is truly happening in El Salvador. That is mostly due to the fact that those Salvadoran newsmen who try to tell the truth about the current situation and developments are imprisoned, tortured and killed by the Salvadoran armed forces themselves or by army members who dress as civilians in order to carry out the special missions assigned to them by the tycoons who hoard the wealth of that sister nation. It is also due to the fact that those foreign newsmen who arrive in that country to carry out reporting tasks are shot in the back, kidnapped and made to disappear by the Salvadoran military themselves, either uniformed or masked as civilians. The military-Christian democratic tyranny has created a climate of fear and persecution, of terror and uneasiness that makes the fulfillment of a reporting mission very difficult, if not impossible, for those newsmen who try to be truthful and objective. That is why we are misinformed. If the truth about what is happening in El Salvador could be fully learned, the international public opinion would have unanimously condemned that tyrannical regime and even the U.S. government would have had to repudiate it.

# 6. Entitlement

I think that the Salvadoran people, who have been persecuted and massacred by the U.S. weapons and by the armed forces organized and directed by U.S. military advisors, are perfectly entitled to receive any aid that may be given them by other peoples. If it is only Cuba, the Soviet Union and the PRC, which are giving their aid to those peasants and workers exploited and tortured by the Military-Christian Democratic Regime, then blessed be those countries, because they are expressing their solidarity with the pain and suffering of a defenseless community. The United States is not intervening militarily in El Salvador in order to respond to an alleged intervention by other countries; those other countries have had to intervene in order to respond to the intervention that U.S. military power institutionalized in that country more than 50 years ago.

COUNTRY SECTION

'MATUTINO' PRAISES AMBASSADOR MOSS

PA181721 Panama City MATUTINO in Spanish 15 Jan 81 p 6-A

[Article by Ricardo Lince: "Ambler Moss, Ambassador"]

[Excerpts] Good journalism could not be attempted if this daily chronicle were not invigorated with a gesture of public recognition for one whom, as U.S. ambassador to Panama, has been the object of general criticism due to his country's policy in Panama. Such is the case of Ambassador Ambler Moss, who has defended the views of the Carter administration and the general interests of his country, and through his upright position, his accurate diplomatic vision and his frank and direct personality, which has surpassed the tradition image of the U.S. ambassador in Latin America, has stood out as the exponent of a more true and sincere diplomacy, in accordance with our times.

His actions have reflected a spirit of understanding and respect for that which has been agreed on and for an egalitarian feeling between two associates intent on conducting an enterprise which renders services that benefit the world's culture and progress as well as the industrial and international forces of nations with various natures and ideologies.

During his period in office, Ambassador Hoss has warmly supported the private sector and his words have served as stimulus to the development of ideas in the commercial world, which are endorsed by the Panamanian government system established in our Constitution.

Now that a new president has come to power in the United States, Ambassador Moss, who is a personal representative of the chief of the executive branch, will have to retire, taking with him the credits gained through his conduct as a friend and his sensitive and respectful attention to our country, with which he has been intimately connected by reason of his responsible, delicate and patriotic work.

WORK OF U.S. AMBASSADOR PRAISED

PA232043 Panama City MATUTINO in Spanish 21 Jan 81 p 6-A

[Rafael Murgas Column: "There Will Be No Historical Turning Back"]

[Text] U.S. Ambassador Ambler Moss has brought to Panama a noble, respectful and cordial diplomatic message for all peoples of the world.

His unassuming and cordial personality opened the embassy's doors to the nation's proletarian sectors. His speeches and statements to the press always reflected an image of true and sincere fondness for all Panamanians.

Fate ruled that his daughter Serena Montserrat Moss W. should be born in Panama to establish a spiritual bond between his family and Panama. May God bless this beautiful Panamanian small girl as a symbol of unity between two peoples who are keys to the glorious destiny of America.

Ambassador Ambler Moss belongs to the lineage of great diplomats, of full-time messengers who must always exist as symbols guaranteeing an invariable pace in the march of progress of people.

The reactionary sectors of Latin American regard Ronald Reagan's accession to the U.S. presidency as a victory for the oligarchic policy of dictatorship and genocide.

The oligarchies will soon become distillusioned. No statesman in the world can propose a historical step backward. Latin America cannot be a political island isolated from the process of changes now rocking all nations of the world.

Ronald Reagan is the president of the most powerful nation on earth. That is to say, the most prosperous and most developed nation on any continent. Oligarchic policy is typical of all underdeveloped peoples. How can the United States ever sponsor a foreign policy opposed to the peoples of the world and in favor of oligarchic and oppressive groups. Oligarchic politicians will soon realize that talking as the candidate of a political party is one thing and acting as U.S. president is another.

At this moment, the most enthusiastic collaborator of the new U.S. president is Jimmy Carter because the United States is a democracy where the people's decisions are sacred and respected by all citizens. Dr Ambier Moss, a distinguished lawyer, has fulfilled his diplomatic mission with a clear understanding of political phenomena; that is why his efforts were so valuable in making the adjustments to the new treaties between the two countries.

We are confident that America's foreign policy will continue to reach higher levels every day and become a permanent example for all peoples of the world.

The American revolution, proclaimed two centuries ago, is evolving into the definitive set of rules for universal coexistence.

The Panamanian revolution is an encouraging political message to the world because it sets citizens free and enhances respect for man's life and freedom.

There will be no historical turning back. Latin America's traditional oligarchies must admit that the end of the old policies of trickery and deceit has arrived so we may live according to truth in a world adjusted to the moral creed of Christian civilization.

President Jimmy Carter said that "the people of the United States must not capitulate in the struggle for human rights." We quote one of his proclamations: "The United States did not invent human rights. In a very realistic sense, it is precisely the opposite. Human rights invented the United States."

# U.S. AID NEEDED TO COMPLETE PAN-AMERICAN HIGHWAY

PA250353 Panama City TELEVISORA NACIONAL in Spanish 2315 CMT 24 Jan 81

[Text] The Panamanian government expressed its hope today that the U.S. government will reconsider its refusal to allocate funds for the completion of the Pan-American highway through Darien Province.

The project, which still requires \$100 million for completion, has been continued by the Panamanian government alone during the past 5 years since U.S. federal funds were withdrawn, in what was considered by Panamanian officials to be a lack of compliance with previous agreements.

We shall now hear statements from project director, Jorge Lore:

[Begin recording] We believe that the U.S. refusal is harming Panama considerably because we have already invested \$83 million which cannot be lost. This 220 km highway from Tocumen to Canglon means our government must maintain it at a high cost.

We believe that this project, which was begun during a Republican administration in the United States under President Nixon, may be continued by another Republican administration under President Reagan.

We believe they will find a way to continue with their participation in this project. If President Reagan has said that the U.S. government must meet its commitments, then this is one of the commitments which is pending.

[Question] What portions of the Pan-American highway still await completion through Darien and how much is needed for their completion.

[Answer] The cost estimate for the whole project, which was reviewed last year, amounts to 190 million Balboas and if, as we said before \$83 million have been invested, this means that in order to complete the project to Colombia, at Palo de las Letras, we shall need at least \$100 million more.

We have build 220 km out of a total stretch of 317 km. This means that we are 82 km away from the Colombian border. We have paved the route from Tocumen to Chepo, which is 37 km, and still have to pave the rest of the project. [end recording].

'PEP' PROTESTS GUARDS' DEFENSE OF U.S. EDBASSY

PA210401 Panama City CRITICIA in Spanish 19 Jan 81 p 2

[Communique issued by the Federal Executive Council of the Federation of Panamanian Students--date not given]

[Text] With deep sorrow, we have learned that national guard troops repressed a student action in order to vehemently defend the Embassy of the United States, a well-known center of espionage and conspiracy against the Panamanian peoples' struggles.

Ever more serious is the cruelty with which a certain sergeant—whom we are identifying by his fascist airs—struck Teodoro Hunt, the voluntary Labor Secretary of the Federal Executive Council of the Federation of Panamian Students (FEP), with an obvious desire to recall times which seemed to have been past.

Our organization takes responsibility for the action of our members, because that action was more than justified. What we profoundly regret is that the national guard should take charge of the defense of the Yankee Embassy and repress the students because of the paint spilled in protest against that center of gringo conspiracy from which the process has been undermined by means of the bribery, blackmail and intimidation of certain leaders and where support for the enemies of our people and military aid to the genocidal junta that is misgoverning El Salvador is coordinated.

This serious incident does not intimidate us because our youths are committed to an anti-imperialist struggle and revolutionary solidarity. Our youths never placed their hope in "goodman" Carter nor do they fear Reagan's anger.

For this reason, no one should expect that today's action will be the last one taken in front of any place in our territory in which the enemy is entrenched.

# COLUMNIST RAPS SALVADORAN GOVERNMENT SPOKESMEN

PA241922 Panama City MATUTINO in Spanish 22 Jan 81 p 4A

[Article by Roberto R. Rodriguez: "More Respect for Panamanian Public Opinion"]

[Text] Last Monday, 19 January, when I attended a meeting at the Salvadoran Embassy in our country, representing this newspaper, I was convinced that we would receive the respect deserved by our readers and obtain reliable news about the situation existing in this sister country.

The Salvadoran ambassador to our country opened the meeting, claiming that it was a matter of clearing up "the misinformation given to the Panamanian people." His words surprised me. However I remained hopeful that the two envoys, political advisers of the Christian Democratic Junta ruling El Salvador, instead of supporting and explaining the government's point of view, would swear to tell all the truth and nothing but the truth, for the sake of the thousands and thousands of Salvadorans who have been persecuted, massacred and abused in all their human rights.

The first one to speak was David Trejos, who appeared different from his "companero" as they called themselves during the meeting, because he wore a coat, while the other one wore a khaki colored shirt. He talked and talked and talked but said nothing specific. He said that the Salvadoran people were the victims of an international campaign in detriment of this glorious people who go to work every day with a smile on their lips. Then he immediately threatened: "We cannot allow public opinion to crush the spirit and goodness of a people."

Viera, in turn, denied that there have been massacres or that the government committed abuses. He explained what is seen and heard on radio and television. These are "prefabricated takes' that is to say before events occur, news agencies which cover El\*Salvador already have the information at hand. We wonder. Who can think up such a lie? Who can they fool with this childish lie?

Our readers deserve respect. It is unpardonably rude and disrespectful to lie and try to conceal the reality existing in this sister country. Two U.S. congressmen were awed by the things they saw at the Lempira border town between Honduras and El Salvador. Both called things by their name: "Our government has deceived us and decieves the North Americans regarding what is happening in El Salvador, a country underoing a civil war, because its government is neither popular, moderate nor elected by the people as we have been told," the congressmen said.

We hope that these congressmen will not be accused of being Marxist-Leninists.

Napoleon Duarte, who was deprived of his victory in the 1972 elections and who embraces his enemies today, promised at the Santa Marta summit in Colombia, to do everything in his power to prevent more bloodshed among his people. However violence has increased against the civilian population.

The time has come to stop allowing those who want support for their points of view regarding the situations existing in their countries to come and go at will and speak against Panamanians, disrespect us, slap us, as if we were a herd of sheep. What makes things worse is that they have their allies among us.

NO END TO SLAVADORAN CONFLICT SEEN

PA260052 Panama City LA ESTRELLA DE PANAMA in Spanish 23 Jan 81 p 4

[Editorial: "The 'Final Offensive' in El Salvador"]

[Text] Reagan's rise to power at the head of the republicans in the United States has, for the most varied reasons, caused great speculation in most countries.

In El Salvador's specific case, it was said more than once, that the extreme right sectors in the armed forces, although not the most numerous, were planning a military coup to oust the Christian democrats from the government junta and take control of the situation before the change of administration in Washington.

Those who supported this thesis claimed that it would help Reagan because when he assumed the presidency he would find a fait accompli and no one could blame him for having abetted it.

We supposed that the idea crossed the minds of several officers, some of whom possibly were in contact with advisers of the new U.S. president. The truth is that on inauguration day, there were many misgivings among the leftist sectors opposed to the civilian-military junta.

As the end of Carter's administration was nearing, all the sectors in El Salvador which have opted for armed struggle, and which are now grouped under the umbrella called Revolutionary Democratic Front, issued a call to oust the government through a "final offensive." Of course, this did not succeed but it has left many victims, most of them completely alien to the rivalry between the two groups.

The U.S. ambassador to El Salvador recently said that "the United States will not allow a communist government in El Salvador." The most perious problem is that the military are convinced that they can defeat the guerrillas. The latter believe that if they overthrow the government the army will disappear, like it did in Nicaragua, and then they can run the country. But they are both wrong. Unfortunately, while this victorious spirit persists among the rival factions, an adequate climate for dialogue will not exist to solve the long drawn out drama being experienced by the Salvadoran people.

CONCERN OVER SALVADORAN SOLDIERS' : A SING IN PANAMA

PA261638 Panama City LA REPUBLICA is. Spanish 25 Jan 81 p 5-A

[Article by Griselda Lopez: "Elias Castillo's Denunciation"]

[Text] We think the most important thing about the report by Elias Castillo, director of the government and justice ministry's immigration department, concerning the arrival of the Salvadoran soldiers in what we consider to be Panamanian territory for training at the School of the Americas is the overt U.S. intervention in Salvadoran affairs in an act of unlimited support for the military junta, which is oppressing the people of that country. The most pitiful thing is that, having voiced our people's solidarity with the fraternal Salvadoran people's struggle, we can see how with the greatest ease soldiers are being trained in our own territory, under our flag which is flaying atop Ancon Hill, to attack women, children and youths who are seeking a new life of peace and harmony in their lovely nation.

This double violation of the human rights of the people, this new mockery of our sovereignty and the struggle Panama has waged for years to be really sovereign on our soil, is hurtful to Panamanians. It has set sinister precedents and we think it will become a routine thing.

Castillo's report draws attention to the militant and watchful attitude our people should have. The Torrijos-Carter treaty, a hard-won achievement of ours, has to be watched over so it will be upheld in its entirety. Our president's repeated reports on the violations have gone away and the Americans are still violating the human, political and civil rights of nations.

The School of the Americas is still there, unfortunately playing its traditional interventionist role, training not human beings but power-hungry military to kill.

We are not worried about the formalities. That is not what we should discuss. We want to discuss the use of our country, our strategic belt, and anything that runs counter to the principles of free, sovereign nation, always ready to struggle for prime international causes.

COUNTRY SECTION PANAMA

'LA REPUBLICA' PRAISES MEXICAN COMMUNIQUE

PA270038 Panama City LA REPUBLICA in Spanish 25 Jan 81 p 4-A

[Editorial: "Timely Warning"]

[Text] A few days ago Mexican President Jose Lopez Portillo went to the Phillipines and to other Asian countries on an official mission. Before his departure, the Mexican Foreign Ministry issued a communique which could be described as a warning over the threat that interventionist plans in Central America represent for peace and security in the hemisphere. These plans have been openly discussed as the only solution for putting the region in order and prevent "democracy from suffering another setback."

The communique, a warning of the Mexican Foreign Ministry, leaves no doubt as to who it is referring to. In following Mexico's traditional policy of nonintervention, it is warned that "the people of Certral America must solve their problems themselves without the intervention of racby or far away countries within the policy of the people's self-determinat n."

As we have noted, the Mexican warning has been issued at a time when the possibility of a major intervention is increasing by a power interested in keeping the status quo in El Salvador, Guatemala and Honduras—that is, to keep in power groups which support that power and which oppose any attempt to carry out true and profound social reforms. An increase in the shipment of weapons for the Military—Christian Democratic junta of El Salvador has been witnessed over the past few weeks. Meanwhile, direct threats have become an every day thing.

The Mexican Foreign Ministry communique stressed that "No country has the right to interfere in any given political situation." It added that "No nearby or far away country can influence events in El Salvador to make it take a given path."

The definition is clear if the public statements by the U.S. Ambassador to El Salvador are taken into consideration. He has stated, as if he was the spokesman of the Salvadoran government, that the opposition has been defeated and that the people are not supporting it. He has added that "his government, the United States, will never permit a nondemocratic government in the Central American country." This may apply to the rest of the countries of the area in turmoil at this time.

The warning of the government of President Lopez Portillo is in line with the palicies of the Andean Pact Nations, Panama and the nations of Western Europe. The communique which is being analyzed in this Sunday editorial also says that "Otherwise the bloodshed will be even greater and for this reason we must contribute to make peace prevail in the region of which we are an indiasoluble part. We must also promote a climate favorable for the decisions that the Salvadorans will take in their own time." The Mexican varning is for all—for those who are openly making threats and are openly interfering and for those who are doing this covertly in the shadows of duplicity and maneuvers which despite any attempts are always known.

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COUNTRY SECTION PANAMA

### WRITER COMMENTS ON SALVADORANS ENTERING ILLEGALLY

PA270002 Panama City CRITICA in Spanish 26 Jan 81 p 6

["The Revolution Does Have Its Writers" column by Juan A. Bernal: "The Salvadoran Soldiers at the School of the Americas; Or Will Panama Be the Headquarters of U.S. Interventionism; Or Training of an Army for Internal War; Or Were We Consulted About This Step, Or the Distortion of the Purposes of the School, Or Take Care Mr Nutting"--passages within slantlines pullished in upper case]

[Text] The incident involving the Salvadoran soldiers who landed at Howard Air Force Base and, disregarding our immigration laws, disappeared on our territory, was impressive. It is now said that they are at the School of the Americas which, to make things clear, is a military training school. Could this be true?

Another aspect that stood out was the kind of individuals who entered clandestinely. The great majority of them were sergeants and other noncommissioned officers, men of the battlefields and those who direct the fighting, those who in practice execute the opponents of the Salvadoran regime.

In brief, the gringos have taken sides and are prepared to support their side to the hilt. This fact, in addition to the others mentioned, presents a crucial problem as regards the Torrijos-Carter treaties: Can the North Americans do this? Can they use the School of the American or their bases located here to intervene in the domestic affairs of other countries? Is Panama perhaps a military base to support the hegemonist policies of the United States?

Frankly, I do not believe so. I have not had a chance to compare these acts with the text of the treaties in order to determine whether this activity can be considered as compatible with the purposes of the school and the principles which govern the treaty.

In the first place, the treaty is guided by the principles of /sovereignty, independence and neutrality/ and, second, the military activities permitted by the treaty are limited to those that are for the exclusive purpose of /protecting the canal./ The School of the Americas was violating the 1903 treaty. It must now function for a period of 5 years, with an option for renewal. This means that the school is operating in neutral territory and is subject to an independent government, which means that the U.S. Army cannot pursue there any activity that is unrelated to the protection of the Canal or that is a form of intervention in the domestic affairs of other states.

Obviously, Salvadoran soldiers can be trained at the School of the Americas, but it is also obvious that a clear civil conflict is underway in that country and that the United States is on one side. Moreover, it is obvious that those soldiers are coming to be trained to alter the results of the conflict, which clearly indicates that we are seeing an interventionist action. We cannot object to the U.S. support for its Napoleon, but it should do so from some other location, not from here. This action tramples on the principle of the neutrality of our territory and, at the same time, disregards our sovereignty by using our territory for purposes that are not part of our foreign policy.

On the other hand, those soldiers are in Panama illegally, since they have not complied with the procedures stipualted in pacts. Therefore, they are subject to police action under our laws. Look out, Mr Nutting. Legality is better than illegality.

The North Americans, or rather the armed forces of the United States in Panama should carefully review the purpose of their presence in Panama and strictly observe the provisions of the Torrijos-Carter treaties. Otherwise, they will be creating another hotbed of conflict.

# CANAL ADMINISTRATION CHARGED WITH DISCRIMINATION

PA122145 Panama City MATUTINO in Spanish 6 Jan 81 p 4, 4-A

[Article by Harmodio Icaza: "A Year Away From the Treaties"]

[Text] I have no intention of making an evaluation of the new canal administration, now that it allegedly follows the spirit and letter of the treaties. It would be impossible to condense in these few lines the hundreds of contradictions, violations, whimsical interpretations, impositions, intentional omissions and actions of bad faith which have marked the implementation of these documents.

However, it is fair to admit that in some sectors the treaties are being implemented justly, without haggling and in rather good faith, especially in military relations. Some will say that things work well here because the military understand each other, but if we look back at U.S. history in this area, we must admit that at least here there is the intention of fulfilling obligations.

However, I still believe that if all the U.S. Zonians had been eliminated from the administration, something possible only in theory, many of the conflicts now existing would never have occurred. More than 90 percent of the violations and imperfections noted have their roots in the domination of the Zonian "establishment."

We must, therefore, continue insisting and protesting in advance things that are about to happen, or which are happening. Only in this way can those who cling to a system of privileges be compelled to desist.

For the present we must say that the growing participation of Panamanians in the canal administration is now virtually a dead letter in the treaties. Only two Panamanians attained a grade over 13 last year. But for a couple of exceptions, no Panamanian has been preferred in a post of responsibility over a Gringo. There is no plan or system in operation to comply with the growing participation of Panamanians.

It is not a matter of lack of vacancies, since a large number of chiefs have been or are about to retire. Not a single Panamanian is being considered for these vacancies. On the contrary, bureaucrats who have done nothing and received astronomical salaries are being appointed to the new posts and are being promoted irresponsibly, without consideration for a single Panamanian.

On 9 December a list of promotions was published within a department of persons who do nothing-the General Services Bureau. They are Ernest Hickman, Willy Nowotny, Robert Saarinen and Ronald Guilliams. These are all solid bureaucrats who have been promoted to fill the posts of retiring chiefs.

There was no excuse for not considering Panamanians to fill those vacancies. There are capable and experienced Panamanians, who in many cases bear the brunt of the workload in their departments. If there had been good faith and the desire to abide by the letter of the treaties, they would have been considered.

There are today departments where there are not even 30 percent of Panamanians employed. It would be still more humiliating if we consider that the number of Panamanians with a grade of 11 or over is dramatically low. It is clear and evident that there is not the slightest intention of placing Panamanians in positions of responsibility.

The "Zonian establishment" knows that it has 20 years to play all its tricks until its members can retire with juicy salaries. They are not going to allow a Panamanian to hold one of these posts, even though it means a flagrant violation of the treaties. Don't you believe me? I will give you an example.

Gerald J. Welch, director of the "Executive Planning" office, is about to retire. This post does not require special or extraordinary capabilities and a Panamanian could well be selected to this post. I will give you ten to one that it will be filled by a Gringo. It is not that I am a clairvoyant. It is just that I know the bad faith of the "establishment."

### MINISTERS NOTES CANAL COMMISSION PROCEDURES

PA162101 Panama City Domestic Service in Spanish 1700 CMT 15 Jan 81

[Excerpts] The Panama Canal Commission is meeting at this moment to discuss an agenda considering budget, labor and administrative matters. The commission members, five U.S. citizens and four Panamanians, along with U.S. Ambassador Ambler Moss, also began to discuss the budget for 1983, a pay increase for Panamanians affected by the implementation of the Torrijos-Carter treaties as well as measures to improve traffic handling in the canal.

[Question] Mr government minister, besides the agenda, does the Panamanian side have any proposal to be discussed today?

[Answer] We are thoroughly prepared on each point so that we have a position on each matter. Our proposals have been drafted based on the study.

Yesterday I saw an editorial in LA REPUBLICA saying that there have been no reports on the participation of Panamanian members of the board of directors. The writer had not realized that the Canal Commission Board began to meet last May and June. Therefore it has been operating for barely 6 or 7 months, and second that this is only the third meeting, and the third is that in these past months our role has been more of receiving and classifying information in order to form policies on fundamental matters involving the canal's operation.

On the matters in which we have had a previously defined position by the government, such as, for example, the role of the Board of Directors, the Administrator and others, we have explained to the people what is being done. In some matters of employment and salary, for example, and other technical matters, before giving an opinion we had to ask the planning ministry to make studies which have taken 5 or 6 months. Before we have this information we cannot talk.

It would be irresponsible of us if we began to make statements and proposals in the press without a theoretical, scientific and real situation before making statements.

PAREDES SPEAKS OF 'DOUBLE WAGE' STANDARD IN CANAL

PA170054 Panama City Domestic Service in Spanish 1700 GMT 15 Jan 81

[Text] Panama is opposed to the measure that establishes a double wage standard in the Canal administration. Panamanian representatives to the Canal Commission claim that this measure was unilaterally implemented by the U.S. government authorities in the Canal administration since the Torrijos-Carter treaties went into effect. Here is a statement by Tomas Paredes, Panamanian representative to the Canal Commission:

[Begin recording] We have analyzed the repercusions of the measures that U.S. government authorities have implemented regarding the Panamanian personnel working for the Canal Commission. We have met with union leaders, workers in general and particularly with those mostly affected by these measures. The Panamanian government agrees with the workers that these measures are not in their interests and have deteriorated labor relations in the Canal Commission.

We are going to insist that something be done to correct the mistakes of the administration. We feel that with the unions support we are going to have a very strong case to submit to the Canal Commission Board of Directors. We are going to insist that the double wage standard is eliminated immediately. [end recording]

## CANAL COMMISSION MEMBERS COMMENT ON MEETINGS

PA172247 Panama City Circuito RPC Television in Spanish 2300 GMT 16 Jan 81

[Interview with Ricardo Rodriguez and Tomas Paredes, members of the Panama Canal Directive Board, in Panama City by Justo Fidel Palacios; no date given--recorded]

[Text] The Panama Canal Directive Board's 2 days of meetings at the administration building in Balboa have just concluded. We are waiting to learn some of the main points discussed at these meetings from the board's Panamanian members, Tomas Paredes and Ricardo Rodriguez.

[Question] Mr Rodriguez, in general terms, how would you describe the meetings which have been held here this week?

[Rodriquez] The meetings have been extraordinarily important and very productive. I think that the results of the discussions are aimed toward our proposals. Today we approved a resolution by which the directive board delegates authority to the administrator of the Panama Canal Commission. This means that in exercising the power bestowed on it by the Internal Canal Commission's regulations, the directive board has [word indistinct] the administrator's functions. The directive role of the Canal Commission's directive board is thus reaffirmed. This was one of the problems which had created difficulties for us in the past, but now these difficulties have been resolved and this resolution confirms this situation more precisely.

Another point which was discussed dealt with the 13th month bonus. There have been some difficulties between the Social Security Fund and the Canal Commission in connection with the Canal Commission's duty to pay the second portion of the 13th-month bonus. This matter was thoroughly discussed. The directive board did not reach a decision on this because the issue is being discussed at the diplomatic level between the two governments, so its decision has been to send a note to the State Department and to the Panamanian Foreign Ministry, urging them to make a decision as soon as possible, because if it is further delayed, this may seriously affect the Canal Commission's finances and, more importantly, the rights of workers who are Social Security Fund beneficiaries, as they would be in default and would lose some of their social security benefits.

The U.S. delegates also made a surprising proposal. The proposal was made by Capt Joe Clark. He proposed—and this was unanimously approved—that the Canal Commission's directive board ask the U.S. Congress to modify Law 96-70 so that the Panama Canal Commission would cease to be a U.S. agency and would become a corporation.

In other words, both the American and Panamanian directors agree that the present form of operation, as an agency, is not the most suitable form for it limits our decision-making capacity and the availability of funds. It is very important to note that this initiative came from the American delegates.

[Question] Is it believed that changes are imminent, now that there will be a new U.S. administration?

[Answer] We are almost sure that there will be changes in the Canal Administration's structure as a result of changes in the U.S. administration. For instance, Mr Blumenthal may be removed from his post. The current president may also be changed. We even approved a resolution, or rather the American majority approved a resolution, foreseeing that once Mr Blumenthal stops holding the post of Secretary of... secretary of what is he, Tommy?

[Paredes] Secretary of Civilian Affairs of the Army's [word indistinct] Department.

[Rodriguez] Well, as soon as he abandons that post, whoever replaces him will immediately be appointed President of the Canal Commission's directive board. The Panamanian delegation had the honor and satisfaction of proposing Edwin Fabrega's candidacy, but the majority voted for Mr Blumenthal's successor. We still do not know who he will be.

With regard to changes, there have been rumors that Mr McAuliffe might be removed. That would not please us. Both the Panamanian members on the Canal Commission's directive board and the Panamanian government—and I am speaking in the government's name—would not approve of the idea of replacing Mr McAuliffe. However, if Mr. McAuliffe is indeed replaced, we hope that whoever replaces him will have the characteristics that have enabled this gentleman to work in spite of his limitations as an official, his condition as an American, his loyalty to his country and his instructions from Washington. In spite of all this, he has worked within a framework of respect for our country and for Panamanians and, whenver possible, he always acted constructively and positively, trying to find the best way of carrying on in an efficient way, in a way that would improve canal operations.

[Question] Thank you, Mr Rodriguez. Mr Paredes, what has been decided with regard to certain specific demands by the Panamanian unions, such as the elimination of the wage base?

[Paredes] Panama presented a resolution that contains the opinion and feelings of all the unions that operate in the Canal area, which calls for the immediate elimination of the employment system which was implemented in the Canal area, the Panama area wage base.

This resolution was thoroughly discussed and we obtained the American members' admission that it is necessary to eliminate the new wage scale, and to return to the scales that were in effect on 30 September 1979. They also admitted that with regard to commission salaries, the principle that must prevail is that of equal wages for equal work.

The administrator has been instructed to analyze both the budget and the labor mechanisms so that the wage-scale system that has been in effect since 1 October 1979 can be eliminated as soon as possible.

With regard to a point as important as the cost of living adjustment, based on the negative effects on several Panamanian commission employees who live in the Canal area, was firm with regard to the commission's duty to pay wage adjustments to those employees. Nevertheless, the vote was 5-4 and it was very emphatic on the fate of such an adjustment.

We also discussed the tax factor in detail. We carefully analyzed the origins of the implementation of the wage reduction affecting Panamanians in the now-defunct Panama Canal Company and we received the American members' firm support on receiving the necessary legal advice that will result in having the money which was removed from the salaries of Panamanians from 1 October 1979 to 1 October 1980. The current improvements in connection with the canal's increasing capacity and efficiency in handling ships, and all this in accordance with a program of acceleration that we, the Panamanian members of the directive board, have achieved so that the current canal can be more efficient and offer faster service for to the ships [sentence as heard].

[Question] Was the enforcement of U.S. and Panamanian laws in the wake of the implementation of the treaties discussed at the meetings?

[Answer] Yes, it was discussed. The Panamanian position has always been firm, and it is supported by the unions. We cannot tolerate the implementation of U.S. laws in Panama. In this regard, we want the commission itself—and this is Panama's position—to adopt its own labor regulations in accordance with Panama's labor laws.

We also approved a resolution approving the political principles that must guide the Canal Commission's employment system. The administration has already been instructed by the directive board to draft the internal regulations for the Panama Canal's Commission's Employment System. It is important to note that these general principles include rules aimed at the following: guaranteeing the preferential employment of Panamanians at all levels and giving them advantages in scoring [puntuacion]. This would tend to reduce the presence of foreigners in the employment system and would establish rules under which the possibilities of promotions for Panamanians within the Canal Zone's employment system would be increased. In special cases where a Panamanian is not given preference in obtaining a job, the assistant administrator of the Panama Canal Commission would be empowered to revise the decision. words, in such cases, our colleague, Fernando Manfredo, would be empowered to revise and examine the decision in order to determine whether or not it is correct. It has also been stressed that the training programs must include as many Panamanians as possible and, especially at the technical levels, there must be greater participation and training, so more Panamanians can hold positions within the Canal Commission.

[Question] In general terms, Mr Rodriquez and Mr Paredes, how would you describe the results of these meetings for Panama?

[Paredes] True. I think on the balance it has been very positive. It is simply a matter of continuing to express and present our positions, just as we have been doing from the beginning.

[Rodriguez] This does not mean, however, that everything that we proposed has been approved. Many of the things that we proposed have not been approved. However, many of the things that we have been denied have served to make the American side modify its view substantially and realize that we are right.

[Palacios] Mr Ricardo Rodriguez, Mr Tomas Paredes, thank you for your statements.

72

#### WORKERS COMPLAIN OF PAY DISCRIMINATION IN CANAL

PA231630 Panama City Televisora Nacional in Spanish 2315 GMT 22 Jan 81

[Excerpts] Local 907 leaders have presented an eight-point list of charges to Lt Col Armando Contreras, cochairman of the Joint Canal Defense and Security Committee. The unionists, led by Miguel Machado, assistant secretary general of Local 907, and Antonio Reina, organization secretary, reported what they consider to be discriminatory measures against the Panamanian workers of the U.S. armed forces.

The Panamanian labor leaders advocated the creation of a grievance mechanism in case of labor discrimination which, in their opinion, is a frequent occurrence since the Panama Canal treaties went into force. They also charged that the payment of the second share of the 13ch month bonus was not made and said it's possible that it might be taken out of the workers' wages.

The discrimination reported is rooted in the enforcement of new pay scales for Panamanians which hurt their pay, the army decision that union leaders should use their accrued annual leave to perform union activities and the noncompliance with Article 4 of Annex C of the Implementation Agreement on the payment of retirement to workers not covered by any retirement program before the entry into force of the Torrijos-Carter treaty.

The Canal cannot be operated with this discriminatory wage policy. Machado told this station at the end of the meeting:

[Question] [Begin recording] [Unidentified speaker] How is the scale operating?

[Answer] They have established the same grades with yearly 2-percent pay increases to the base pay. Starting pay is 2.90 [balboas] and through the years, as the year 2000 approaches, the employees are ensured the 2-percent pay raise. To use specific figures, in a grade 10 position for manual workers, those who start working after 1 October [1980] earn 4.48 balboas while their counterparts who are in the same grade, doing the same job and meeting the same requirements are earning more than 10 balboas an hour. Therefore, you can appreciate that this is an enormous difference. There is no way that the operation and defense of the Panama Canal can be done following such a discriminatory labor policy. [end recording]

COUNTRY SECTION PANAMA

COLUMNIST VIEWS CANAL BOARD DEALINGS

PA260240 Panama City MATUTINO in Spanish 22, 23, 24 Jan 81

[Column by Luis Restrepo Rosas: "What Really Happened"]

[22 Jan 81 p 4A]

[Text] On Mondy I wrote a commentary entitled, "From Words To Deeds," in which I gave my first impressions on the Fouth Meeting of the Panama Canal Board of Directors Commission held from 12 to 16 January. I explained that the commentary was based on information released to the local press and that I was waiting to receive during this week other information from my sources who are closer to the truth.

As the days passed details of what happened during the Canal Commission meeting began to emerge. We realize that there is a struggle being waged to prevent the unilateral interpretation of the treaty and the violation of the agreements by means of a U.S. majority vote in the board.

I learned that the Panamanian representatives and their advisers arrived at the meeting well-prepared and with documents to discuss the matters on the agenda and that this was done during the debates. But we also learned that the majority vote annulled everything presented by the Panamanians.

The Americans in turn agreed to promise that they would consider these matters at future meetings. This is the tactic they have followed since the beginning of the meetings.

Let us see what was proposed by the Panamanians:

1. Presentation for approval by the board of the regulations for the contracting of personnel and their work regime within the terms, conditions and requirements for all levels of commission employees as established in paragraph 1 of Article X of the treaty.

The Panamanian representation said that the application of employment regulations included in Law 96-70, Chapter 5 of the U.S. code and other dispositions of the U.S. labor legislation in Panama violated Article X of the treaty and is detrimental to Panamanian sovereignty.

The U.S. representation limited the discussion to considering some aspects of the employment policy, which according to them, would serve as base so that the administration can in the future draft personnel regulations. No date has been set for their presentation and they do not agree that the commission's board of directors should approve them.

The application is very simple. Section 1212 of Law 96-70 says that the president of the United States establishes the employment system in the Panama Canal, applicable to the Panama Canal Commission, the armed forces, the Federal Aviation Agency and the Smithsonian Institute. This is done through the Secretary of Defense and they will not allow Panama to interfere.

2. Presentation for approval by the board of a new salary scale for new commission employees equal to the one in effect for the senior employees in order to abide by paragraph 6 of Article X of the treaty on no salary discrimination and the principles of equal salary for equal work.

The Panamanian representatives said that the salary scale for the Panama area in effect since 1 October 1979 was imposed by an organization which has no authority to establish salary policies for the Commission and that this concerns the board alone.

The U.S. representatives, after much wrangling, agreed to issue a resolution ordering the Commission to develop a salary scale to replace the salary scale for the Panama area to allow new employees to be hired under the scale in effect prior to 30 September 1979. This would be "after they had worked for a specific period of time for the Commission."

[PA260242 23 Jan 81 p 6A]

[Text] Continuing with the narration of "What Really Happened" during the meeting of the Panama Canal Commission board of directors from 12 to 16 January, I repeat that "as the days pass we are learning important details of what happened." I said yesterday that "after much wrangling the U.S. representation agreed to issue a resolution dealing with the salary scale, the final decisions on which would be taken after the employee had worked a specific period of time for the Commission."

The explanation of this position on the part of the U.S. representatives is easily understandable. To return to the former salary scale would require the approval of the armed forces which have seen the opportunity to save \$1.7 billion. This is too attractive, even though it means violating clauses in the treaty and elemental rules of good personnel administration. The same is true with the commission which is saving \$2.3 billion.

3. Approval by the board of a salary adjustment to Panamanian employees affected in their working terms and conditions by the treaty's implementation.

The Panamanian representatives based their proposal on item (B) of paragraph 2 of Article "X" of the treaty which is very clear in this respect. The U.S. representatives, again after much discussion, agreed to make some salary adjustments but under two conditions:

- A. That Panama assume part of the cost.
- B. That the U.S. Congress autho ize its payment.

What the U.S. representatives have tried to do is to pass the problem to Panama and gain time by asking for congressional intervention in a purely administrative decision authorized by the terms of the treaty.

4. Instruction by the board to the Commissioner's administrator to pay the sum owed as the employer's contribution to the Social Security Institute.

The U.S. representatives argued that this matter was being discussed at the diplomatic level and the most advisable thing to do was to urge the two parties to reach a prompt agreement.

5. Approval by the board of a regulation to establish norms for collective work contracts established by the United States in item (A) of paragraph 9 of Article "X" of the treaty.

The Panamanian representatives said that application of Title "VII" of the U.S. Civil Service Law as done now violates the treaty and Panamanian sovereignty.

The U.S. representatives maintain that this would require an amendment of Law 96-70 and that this is under discussion by the consultive committee.

6. Devolution to the Panamanian employees of the "tax factor" discounted by the Panama Canal Commission.

The Panamanian representatives proved treaties do not allow the Commission to make this discount.

The U.S. representatives had no valid opposing argument but said in conclusion that they had no funds assigned for this reimbursement and it would require congressional approval.

[PA260247 24 Jan 81 p 6A]

[Text] After the publication of the two articles on what really happened during the session of the Panama Canal Commission Board of Directors, I received additional information referring to new violations of the Canal Treaty, especially on the part of the U.S. Armed Forces in Panama. These will be commented on in a few days.

We shall continue now with the narrative of what really happened during the sessions lasting from 12 to 16 of this month.

7. Elimination of "security positions" and "sensitive positions."

The Panamanian representatives said that these classifications are not authorized by the treaty, violate the principle of nondescrimination and are detrimental to the concept of a growing participation by Panamanians.

There was no valid reply to this from the U.S. representatives or decision of any kind.

All this leads us to a single solution: Panama must create a fighting strategy as efficient or more efficient than the one which led us to the treaties.

This more efficient and effective strategy is needed to halt the violations to the treaty made possible by the unilateral and accommodating interpretation of the treaty.

Locals 900 and 907 will have to play a decisive role in this strategy.

We can deduce that "There was no Panamanian triumph in the canal," as some Panamanian representatives pretend.

The famous "Three great achievements of the Canal Board of Directors," consists of promises without a deadline for their compliance. We do not have the slightest idea of when the Panama Canal Commission board of directors will meet again. We do know that the new U.S. presidential regime will change some of the representatives on this board of directors and it is very possible that harsher policies will be implemented as has been predicted by the new president and his secretary of state.

If Panama is going to be satisfied with presenting problems and not getting a definite answer then we will never recover the \$4 billion the United States is taking from us and we shall reach the year 2000 in such dangerous conditions that the other party, interpreting the treaty at whim and convinced that it can do whatever it wants, will unilaterally extend the life of the present treaty until eternity.

In the article published in this same column on Monday, I warned that "We should not fall into euphoric positions," because as I also warned, "There is a long way between saying to doing." This way is going to be very long, hard and difficult and we shall always get a refusal from the other party which has its majority steam-roller to impose its point of view.

I repeat that it is not wise to pretend to the country that, "We have attained important advances when the Panamanian government has just presented its points of view, most of which were not even accepted and the others were left for future studies."

If what I have said is not the truth about what happened during the last meeting of the Panama Canal Commission board of directors, then it would be wise for some of the Panamanian directors to tell us what part of it is not true.

CSC: 3010

# COMMITTEE COCHAIRMAN TO MEET WITH U.S. ON WAGES

PA231834 Panama City CRITICA in Spanish 23 Jan 81 p 2

[Article by Carlos Nunez L.]

[Text] Within a spirit of great frankness and cordiality, the leaders of Local 907 informed Lt Col Armando Contreras of the situation of 50 Panamanians who have suffered the persecution of the U.S. Southern Command in the military bases controlled by that command.

The 10 labor leaders said that the U.S. command's real policy is one of violent discrimination as far as wage scales are concerned, almost police-like control over the activities of the union and so-called "security" positions which serve to prevent the promotion of Panamanians.

The meeting was held in the offices of the joint command in Fort Amador.

Lt Col Armando Contreras, as cochairman of the Panama Canal Joint Defense Committee, opened the meeting saying that he "hoped that nothing would be overlooked in the discussion" and that "we are here to defend the Panamanian workers with honesty and dignity."

The workers, including two women, made about eight charges. These include: non-payment of the second part of the 13th month bonus; the application of title seven; the imposition of the so-called "security" positions; the problem of the credit co-operative; the cancelling of leave for union activities when the Panamanians have to take their problems to the Panamanian authorities; the problem of individuals who are retired with nonbudgeted funds; the abolition of posts to prevent the promotion of Panamanians who are left jobless. [Seven charges as published]

Lieutenant Colonel Contreras explained that he will meet with the U.S. side at the end of February to firmly and clearly state that this negative situation cannot continue and that the proper steps will be taken so that these discriminations will stop. "The Southern Command should know that you are not alone in this struggle. That is why the Panamanian members of the joint committee are here," he added.

# MANFREDO DISCUSSES CANAL IMPROVEMENT PLANS

PA250446 Panama City Circuito PRC Television in Spanish 2300 GMT 24 Jan 81

[Interview with Fernando Manfredo, Deputy Administrator of the Panama Canal Commission; date and place not given--recorded]

[Excerpt] [Question] Mr Manfredo, you have spoken with the Japanese Government about an expansion of the Canal, based on the present lock-system canal. Is this feasible?

[Answer] It is important to point out that the present canal has the capacity to continue servicing the ships traffic for many years. Of course, it will be necessary to carry out some improvements. Some of these improvements will be rather expensive. That would be true in the case of expansion of the Culebra cut and the entrances to the canal. However, there is the motivation to do it. Perhaps, there will be a need for agreements between the United States and Panama to carry out some improvements due to the magnitude of the task and the costs involved in these projects—if they are to be carried out before the canal returns to Panama. This could delay decisions somewhat, but we must clearly state that the canal has not reached a saturation point and we have an even greater capacity. I am saying this because apparently this is the impression we are giving abroad.

There are talks about other projects, there is talk about a Transisthmian Oil Pipeline and those in charge of the project justify it on the basis that there are lengthy delays in the transit of the ships through the canal. In Mexico, for example, there is a project for the construction of a Transisthmian Bridge through the 1sthmus of Tehuantepec, from Coatzacoalcos to Salinas Cruz. I was recently in Mexico and the Mexicans are under the impression that they are doing us Panamanians a great favor because they are presenting an option for the transportation of merchandise that cannot go through the present canal because of the canal's limited capacity. They believe that their project is a better alternative than investing \$20 billion in a level canal or \$5 billion in a third set of canal locks.

The canal has the capacity to function for many more years.

[Question] Mr Manfredo, how would alternate routes for the transportation of merchandine affect the operations and the revenues of the Panama Canal?

iAnswer] This is an interesting question. There is a project for a Transisthmian oil pipeline. That oil pipeline would definitely divert the crude oil now going through the canal. I understand that this project has been designated to move 600,000 barrels daily. This is very close to the amount of Alasakan oil now passing through the canal. If we were to lose that business, we would be losing approximately \$50 million annually and this is a portion of the money that we use for canal improvement programs. Therefore, such a project would have an adverse impact on the canal's finances. In addition, Panama itself would not be receiving approximately \$8 million, the amount that corresponds to the 30 cents per ton that the ships that go through the canal pay, which Panama receives, based on the treaty.

cso: 3010

COUNTRY SECTION URUGUAY

POLITICAL PRISONERS REPORT MURDER PLAN

PY162009 Paris AFP in Spanish 1449 CMT 15 Jan 81

[Text] Rio de Janeiro, 15 Jan (AFP)--Four former Uruguayan political prisoners reported here last night that there is a plan to eliminate 64 prisoners held in the Libertad Prison, near Montevideo.

Sergio Costeletti, Guillermo Fernandez and the brothers Edgar and Marigen Lluberas emphasized that this plan to eliminate prisoners began with the murder of medical student Hugo Dermit Barbato which took place around 15 to 19 December 1980 after he had served his 8-year sentence.

The four Uruguayan refugees made this accusation just before leaving for Europe. They indicated that the death penalty for political prisoners was established by Lt Col Fausto Gonzeles and Maj Mauro Maurino, directors of the Libertad Prison. They added that the plan to kill the prisoners was made after the visit to Uruguay by an international Red Cross commission in May 1980. During this visit, the Uruguayan political prisoners made accusations about their living condition? in the prisons. These conversations were recorded by Uruguayan officials who then made the plan to kill them.

Costeletti, Fernandez and the Lluberas brothers also emphasized that, besides Hugo Dermit Barbato, the political prisoners Orlando Pereyra Malanotti, Raul Martinez Machado and Conrado Cyurkovits have also been murdered.

Eduardo Seabra Fagundes, president of the Brazilian Bar Association (OAB), who is accompanying the refugees, said that the OAB receives daily reports on the political situation in Uruguay and that this proves that Uruguay, which used to be an example of democracy in Latin America, is experiencing one of the worst periods in its history.

COUNTRY SECTION

ACCUSATIONS MADE OF PRISONERS BEING TORTURED

PY191743 Paris AFP in Spanish 0401 CMT 17 Jan 81

[lext] Sac Paulo, Brazil, 16 Jan (AFP) -- The International Secretariat for Amnesty in Uruguay (SIJAU) [Secretariado Internacional Para la Amistia en Uruguay] charged here today that torture is still being practiced in Uruguayan political jails.

Joan Louis Weil, member of the SIJAL executive board—with headquarters in Parissaid during a press conference that after 8 years the political prisoners arrested in 1972 without a fial are still being tortured. Weil added that the Uruguayan Covernment has started a diplomatic offensive at international organizations asserting that the recent constitutional draft—which was rejected by the people—is a sign that the Uruguayan regime is willing to return to a normal situation in the country.

Sidal is determined to denounce the human right situation in Uruguay before the Ch Human Rights Commission in Geneva, at the International Labor Organization (ILO), at the European council and at the OAS.

Carlos Bouzas, leader of the Uruguavan National Workers Union (CNT)--an outlawed organization that groups together all Uruguavan unions--today appealed in Sac Faulo to all democratic governments to support the election of a constituent assembly and the amnesty of all political prisoners in Uruguay.

Bouras said he believen there are 3,000 prisoners, that about 15,000 persons are not allowed to exercise their political rights, and that there are about 500,000 truguayan refugees.

He noted that union landers Alberto Altesor (Railroad Workers Union), Hector Rodriguez (Journalists and Textile Workers Union), Juan Antonio Iglemias ("lass Workers Union), and Luis Ignacio Ferreira (CNT international relations secretary) are under arrest at the Libertad jail near Montevideo, and that "their lives are in danger."

COUNTRY SUCTION URUGUAY

#### BRIEFS

Final Figures on PLEBISCITE-Montevideo, 20 Jan (AFP)--According to final figures released today by the electoral court, the draft of the constitutional reform submitted to a popular Plebiscite by the civilian-military government last 30 November was rejected by 57.2 percent of the registered voters. The report stressed that out of a total of 1,944,951 registered voters, 86.6 percent voted, and that out of 1,652,294 valid votes, 945,176 (57.2 percent) had been "no" votes, while 707.113 (42.7 percent) were "yes" votes. Montevideo, the capital, was the department where the "no" option received the most votes: 481,538 "no" votes as compared to 274,394 "yes" votes. Montevideo was also the place where the widest margin of "no" votes was recorded: a difference of 207,144 (63.7 percent) favoring the "no" votes. The "no" ballot won in 11 departments and the "yes" in the remaining 8; among the latter were the 5 departments on the Brazilian border: Artigas, Rivera, Carro Largo, Rocha and Treinta y Tres. [Text] [PY211901 Paris AFP in Spanish 1343 GMT 20 Jan 81]

FFG LOAN-- The FRG Government has granted a loan of 9 million deutchmarks to finance projects of small and medium size industries in Uruguay. [PY131721 Montevideo Radio El Espectador Network in Spanish 1600 GMT 13 Jan 81]

COUNTRY SECTION VENEZUELA

EDITORIAL EXPRESSES OPTIMISM ON REAGAN 'TOUGHNESS'

Caracas EL DIARIO DE CARACAS in Spanish 21 Jan 81 p 6

[Editorial: "The Toughness of Reagan"]

(Text) Ronald Reagan assumed the presidency of the United States with his first and perhaps the most emotionally important success: The release of the U.S. hostages who spent 444 days in captivity in Iran.

It is hardly worthwhile to discuss whether the credit for the solution to the problem belongs to Jimmy Carter or Ronald Reagan. The fact is that the new president begins his term of office surrounded by an aura of success.

As President Luis Herrera Campins said, Ronald Reagan awakens "enormous expectations" in the world, particularly in Latin America, a continent where in addition to his initial success, Reagan will have to use his powers of persuasion to establish clearcut bilateral and multilater 1 relations.

Like few of their predecessors, the image of the U.S. President and that of his team of advisers projects distrusts and fears; there is speculation on feared changes and on the alleged hardening in international relations. But it is also true that the dynamics of the U.S. Government itself and the integration of international relations will tend to color any intention of toughness that the new government team in Washington may harbor.

No one is interested in a confrontation: neither Washington nor Moscow can encourage the possibility of a conflict between them. What the North American power could and should seek is the reestablishment of a certain balance between the two blocs, which with Soviet advances in recent years has unilaterally tilted in favor of Moscow.

This is the basic premise from which the other political positions will evolve in Latin America, the Caribbean and Central America. Thus, the first success of the Reagan Administration, the release of the hostages on his first day in office, is a good omen which perhaps, subsequently and under other circumstances, will present having to lament the toughness of Washington.

8008

COUNTRY SECTION VENEZUELA

REACTION TO HAIG STATEMENTS, FUTURE POLICY, SURVEYED

Caracas EL NACIONAL in Spanish 11 Jan 81 p D-1

[Article by Jose Emilio Castellanos: "Hard Days Lie Ahead for Latin America"]

[Text] Although they did not come as any surprise, since they were expected and because in the opinion of many analysts what a man from the opposition says in the legislature is one thing and his deeds once in office are another, the statements by General Haig to the U.S. Senate did not fail to cause a strong reaction among the various political circles and those of international policy analysis.

Before the U.S. Senate, General Haig said, among other things: "There are things worse than war and there are things more important than peace."

In the opinion of a Catholic Church representative, this statement sounded like a contradiction of every Christian sentiment or philosophy and against the view that the human being is the basic entity of existence, and in addition, in conflict with our principles of democratic defense.

Former Minister of Foreign Affairs Simon Alberto Consalvi (AD) [Democratic Action Party] was less pessimistic because he believes that practice will be different from theory by the man who now awaits confirmation by the U.S. Senate as secretary of state of that power.

Guido Grooscors, on the contrary, believes that hard days lie ahead for Latin America. Demetric Boersner declares that General Haig said nothing new on relations with the Soviet Union.

Edecio La Riva Araujo, chairman of the Senate Poreign Affairs Policy Committee, adopts a position and maintains an opinion different from the foregoing: He seems to say: "It was about time."

Simon Alberto Consalvi

Former Minister of Foreign Affairs Simon Alberto Consalvi, who some weeks ago stated to this newsman that General Haig would place emphasis on the military aspects of U.S. foreign policy, sees his analysis come true now.

Nevertheless, he expresses his view on what the "Haig phenomenon" will become. "It seems premature and, therefore, hazardous, to make predictions on what U.S. foreign policy will be if we study the words of General Haig to the Senate through the excerpts, some of them contradictory and generally incomplete, which have been sent to us by the international agencies.

"That is why," he adds, "I believe that for an analysis of U.S. foreign policy after 20 January it is necessary to wait for the end of the process of hearings and interrogations to which the senators are now subjecting General Haig. It is possible that this tough and intransigent tone used by General Haig is in keeping with a tactic for obtaining Senate confirmation as soon as possible and for seeking to silence the many objections and reservations of many prominent U.S. senators on his political activities in the White House in the final days of Nixon.

"Therefore," says Simon Alberto Consalvi, "it is necessary to wait for the definition of foreign policy by Reagan himself after 20 January and it is also necessary to wait for the period of hearings to conclude.

"In any case, the language used by General Haig and the phrase used as a headline by EL NACIONAL are undoubtedly worrisome symptoms, however, it is necessary to view him within a general context and within the official enunciation of the Reagan foreign policy, which cannot happen until after 20 January."

Pedro Trigo, S.J.

Theologian, editor of the magazine SIC and director of the Gumilla Center, Father Pedro Trigo, S.J., in an analysis on the appearance by General Haig before the U.S. Senate, refers to the magnitude of the statement by the now secretary of state when he says that "There are things worse than war...and things more important than peace."

"My first reaction," says the priest, "was sorrow. Those types of statements were expected, but even if they were foreseeable, they do not fail to be frightening. One is sad that a human being, a person who despite deep differences is a being who one acknowledges as being of the only human family, can say such pitiless, such impious words. I believe this is the reason for the problem: It is a matter of the needs of the armament industry and the desire for hegemony prevailing over human needs, they even prevail over the elementary right of millions of persons to life, to continue living.

"To say that there are things werse than war and that there are things more important than peace means saying that human life is a simple means for other interests; it means saying that man is not an end in himself, that he is not an absolute value, but is cannon fodder for economic or national interests. Capital and the nation are idols to which millions of human beings are coldly sacrificed.

"Haig," continued the theologian, "appears as a priest and evangelist of that religion. This was already that way. It is good that this be made clear. It would be bad to apply it to its final consequences.

"We hope that these statements," says the priest, "will alert our countries which still maintain the feeling of dignity and respect for the human being as to the nature of a government which says it is our friend. We hope that they will help our representatives, who say sincerely they are Christians, to adopt the proper position. And we hope that they will also help to awaken that part of the U.S. population who are symbolized by the three nuns recently murdered in El Salvador.

"These brutal statements," he emphasizes, "are a result of the crisis of the political and economic system of the developed world and in that which affects our country, it also affects the economic and foreign policy of our government. We hope that on seeing the downgrade on which they are embarking, they can change. At any rate, we hope the people who elected them will open their eyes. In Haig's statements it seems obvious that there is no argument on a technical detail or a specific model. What is being argued is whether or not it is man who is the subject, the end and the owner of all our public institutions."

#### Demetrio Boersner

Internationalist Demetrio Boersner, former director of the School for International Studies of the Central University, believes that the statements by the future U.S. secretary of state, Gen Alexander Haig, are very alarming and unfortunately are consistent with the way of thinking of the future president, Ronald Reagan.

"However," he explains, "One must analyze them carefully and not let oneself be overcome by a feeling of panic. What a politician says, who comes from the opposition and who has waged his campaign denouncing the alleged softness of a previous government, is one thing, what the actual policy that official will put into practice once he takes office and comes to grips with reality, is another.

"What the general says about relations with the USSR is nothing new. It is normal that when beginning the game with all his cards in his hand he should say he will not even exclude nuclear war. It could be that this is merely a formal statement and that actually the Reagan government will imitate that of Nixon in seeking a stable understanding with the Kremlin. As far as relations with the Soviet Union are concerned, the Carter administration was harder than the Nixon and Ford governments. Sometimes the men of the right have a greater facility for an understanding with communism than the liberal men who have to defend themselves from the accusation of being 'useful dupes.'

"More worrisome is what Haig says about relations with Latin America and the Third World. With respect to our region, he simply and clearly announces a return to a policy of friendship toward authoritarian governments of the right, a position of distrust for the democracies and open hostility toward governments such as that of Nicaragua, which in his statements he describes implicitly as "less benign" than the dictatorship which preceded it. He also allows a glimmer to show of the sad possibility of the use of U.S. military might in our region as well as in others.

"Finally, I consider extremely serious the insistence by General Haig on something which had already been the actual policy of the United States but which had never before been expressed in such an aggressive and resounding manner. I allude to his reference to the Third World as 'a myth' and to his opinion that any negotiations with the Third World as a single bloc should be abandoned. In the opinion of Haig and all U.S. conservatives, his country should seek only bilateral and pragmatic arrangements with developing countries. This is the equivalent of dividing them to keep each of them isolated in its status of inferiority and dependence. That is extremely serious; it is the absolute denial of everything Venezuelan foreign policy has been advocating in matters of international social justice and the struggle for a new international economic order.

"We hope that once installed in government, General Haig and his president will review what the former has just finished saying about Latin America and about his relations with the countries of the Third World. Otherwise, his foreign policy would be in complete opposition to that of our country. We dare think that the future president, Reagan, and General Haig do not want to cause serious misunderstandings with countries such as Venezuela. For the moment we should seek maximum national unity around the Third World and the democratic principles of our foreign policy and reiterate those principles with calm determination to the U.S. Government."

### Guido Grooscors

The former minister and ambassador to Colombia, Costa Rica and the Dominican Republic (during wartime), says that although they were expected, the statements attributed to General Alexander Haig, future U.S. secretary of state, by the international news agencies during his appearance before the senatorial committee, which should confirm or reject his appointment by President Ronald Reagan, did not fail to be surprising.

"I believe," he says, "tragic days are coming for Latin America and, generally, for the countries of the Third World. That the future guide of U.S. foreign policy begins by discarding the policy, which on matters of human rights had been carried out by President Carter, is an eloquent indication that what begins now is an era of strengthening authoritarian regimes such as those of the Southern Cone where the most elementary rights and basic freedoms are violated daily without the international community—particularly the inter-American—having been able to do anything effective despite many efforts, to change a situation which is a constant affront and a mockery of all existing instruments of international law, particularly the United Nations Charter and that of the Organization of American States.

"Now, with the support that type of government will obviously receive from the U.S. superpowers, I do not have the slightest doubt that the democratic nations, Venezuela among them, should begin a process of reviewing their political relations with the primary continental power. In that respect, I believe that these first aggressive and arrogant statements by General Haig should make all the democratic leaders of the continent think so that the organization of a vast movement for the defense of human rights, which would be joined by the great

liberal and progressive sectors of the United States should begin immediately and thus begin to confront that announced and negative policy which vividly recalls the years of the 50's of Foster Dulles of such tragic consequences for the continental democratic cause."

# Edecio La Riva Araujo

The chairman of the Senate Foreign Affairs Policy Committee, Edecio La Riva Araujo, summarized in one phrase his concept of what the U.S. foreign policy will be once Ronald Reagan is in power: "The soup is not as hot when one drinks it as it is when it is heating."

"I can already imagine the left of the world with a great mechanism for describing the statement by General Haig as an apocalyptic statement. I do not believe that. I hope that Venezuelan public opinion will not be guided by newspaper headlines but will carefully read what the press says about the statements by General Haig to the U.S. Senate Foreign Affairs Committee.

"I am going to emphasize the positive aspect of such information. I am pleased that General Haig has said that as secretary of state he is going to adopt a harder line in relations with the Soviet Union. It is time that this should happen because we have seen the Soviet Union dominating more countries than all those conquered by Stalin in the last European war. Today, the Soviet Union in peacetime has taken advantage of all the weaknesses of the other power which opposes it to show its power to such an extent that it causes Solsenhitzen to say that the third European war had already started and the Soviet Union is winning it without firing a shot.

"I cannot conceive the United States attending the Moscow Olympic Games as an answer to the invasion of Afghanistan. Neither do I think, nor do I want, that it should have replied by going to war. But at least it should have done something more practical and effective in the all aspects of the economic and supply area as a means of pressure to oppose that invasion.

"The (United States) was unable to do anything about the invasion of Laos and Cambodia by Vietnam, which follows the orders of Moscow. All this history reminds me of the policy of Chamberlain in England when Hitler advanced and advanced and the rest of the world remained impassive until everything culminated with the last war as a result of the weaknesses of the enemies of Adolph Hitler."

As to the idea contained in General Haig's statement that there are things worse than war, Senator Edecio La Riva says: "I do not believe there are things worse that war, unless it is the imbecility of not preventing it. Neither do I believe that there are things more important than peace unless is is war for achieving peace, as was the war against Hitler.

"Here," he emphasizes, "I am in favor of Haig's statement that 'there are thing worth fighting for.'

"We are accustomed," he adds, "to seeing world news orchestrated by the leftists of the world to minimize all the invasions and strategies of intervention by the Soviet Union and through Fidel Castro in the Caribbean and Central America, and to viewing the statements by a U.S. secretary of state as great tragedies. I am one of those who believes that the 'soup is not as hot when one drinks it as when when it is heating.' The responsibility of a power such as the United States is so great that when the moment of truth arrives it will not commit some madness. I perceive that there are certainly no madmen in the Pentagon.

"There is another optimistic statement by Haig which says that he will pay special attention to Latin America. I sincerely believe in it because we are the primary suppliers of raw materials and strategic materials to the United States and they can ill afford to treat us badly when they need us the most."

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